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Formerly Millard's Review

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BORAH AND THE AMERICAN COMMERCE CHAMBERS

ON June 16 last, the *United Press* carried a dispatch which was published in various foreign and Chinese newspapers quoting Senator William E. Borah, chairman of the Foreign Relations Committee of the United States Senate as saying that,

> "Extraterritoriality in China should be overthrown as soon as possible." Then continuing the *United Press* correspondent referred to the Senator's views as follows:
>
> "Senator Borah declared that he favored the withdrawal of extraterritoriality rights of foreigners in China at the earliest possible date and that he likewise favors a policy which respected the territorial integrity and the national rights of a great people.
>
> "Continuing the Senator asserted that he thought the United States should not be drawn into the present controversy in China.
>
> "Senator Borah indicated that he disbelieves tales to the effect that Bolshevik propaganda spread by the Soviet Embassy in Peking and the consular officials were responsible for the present trouble. He said that the difficulties were due to long standing causes in the form of inequalities and oppressions. Only by removal of these causes could any permanent solution be found, he declared.
>
> "The United States should maintain its long standing role as China's friend, the Senator went on, by keeping itself free from entering in controversies in which it has no direct part and it should pursue a policy which would retain the confidence of the Chinese people in the integrity and sense of fairness of the American public and officials.
>
> "Before the recent departure for Berlin of the new American ambassador to Germany, Dr. Jacob Schurman, Senator Borah held frequent conferences with him and it is understood that it dealt particularly with the problem of abolition of extraterritoriality in China."

THIS statement by Senator Borah, carrying all the weight of an official pronouncement by the United States Government, naturally created a considerable stir when published in China, coming as it did when the country was literally being turned upside down by the student and labor agitators and Americans and other foreigners residing in the interior of the country did not know from one day to the next whether the disorder was to culminate in

another Boxer uprising against all foreigners resident in the land. The Borah statement was immediately exploited by the radical Chinese interests and was circulated by the official Soviet *Rosta* news agency, none of the agitators pausing to note that Senator Borah had qualified his advocacy of the abolition of extraterritoriality with the phrase, "as early as possible." Natually American citizens in Shanghai, Hankow and elsewhere who were shouldering their share of the burden in protecting the lives and properties of foreigners, including their own wives and children, from riotous mobs which in at least three places, Chinkiang, Kiukiang and Chunking had invaded foreign homes, looted them of their contents and had destroyed foreign consular premises were placed at a considerable disadvantage. The situation was something like this: American citizens in China were doing their part as volunteers in the various foreign settlements in the preservation of order and were acting as a unit with the other foreigners, Britons, French, Japanese and so on in this necessary work. In addition to this the United States Navy had approximately 30 gunboats and destroyers on the China coast and rivers, all doing duty in the necessary protective work. To say that the situation in China was strained, is a mild statement of the conditions which existed at that time. Therefore the Borah statement, exploited as it was by the Chinese radicals and the Soviet, had somewhat the effect of a bombshell.

THE American Chamber of Commerce, composed of American merchants at the city of Hankow on the Yangtze on June 27 passed a resolution which was cabled to the State Department and handed to the newspaper correspondents, deprecating the utterance of Senator Borah on the Chinese situation as "untimely and calculated to embolden the disruptive elements 'at a time when the Moscow Third International is admittedly concentrating in the East with a view to creating chaos.'" In addition to this action one of the American legion posts in China also passed resolutions condemning the Borah statement and criticising certain American newspapers in China for printing it. This of course was all cabled back to the United States and on June 27 Senator Borah "came back" at the Hankow American Chamber through an interview which appeared in the New York *Herald-Tribune* as follows:

> "In a sharp reply to the American Chamber of Commerce in China, Senator Borah, chairman of the Senate Foreign Relation Committee, declared he was prepared with the facts to disclose a condition of affairs in China which he believed would be "exceedingly distasteful" to that organisation.
>
> "Senator Borah was led to make a statement because of press cables from Hankow this afternoon which said the American Chamber of Commerce had scored the Senator's recent expression of views in which he urged a 'hands off' policy toward China and abolition of extraterritorial rights. Senator Borah's statement follows:
>
> "The American Chamber of Commerce in China is a part of the imperialistic combine which would oppress and exploit the Chinese people and charge the result of the offenses to some one else. They are perfectly willing to continue in connection with others these exploitations, and they care very little if it drags the American people into war and sacrifices thousands of our people.
>
> "Any one who is at all familiar with what has been going on in China for the last ten years, and the manner in which foreigners have disregarded and bruited the Chinese interests, will have no doubt as to what is the real cause of the trouble in China at the present time. So far as I am concerned they are not going to hide the cause of the trouble. These interests, including the American Chamber of Commerce in China, are the real cause of this trouble.
>
> "I venture to say that if the foreign interests in China will respect the rights of the Chinese people and deal with them in justice; if they would even give them the rights and respect the rights as they were defined at the disarmament conference, there would be no trouble in China with foreign powers.
>
> "In making the former statement I expressed my personal views, but I am prepared with facts to disclose a condition of affairs which would be exceedingly distasteful, in my opinion, to the American Chamber of Commerce."

THE whole incident has been most unfortunate. The Borah statement, although perfectly correct and in accord with the sentiments of most Americans resident in China, who also desire to see "extraterritoriality abolished as soon as possible," was given out at the worst possible time. Here in China people do not differentiate between statements by public officials made in a private capacity from statements which are official in character. If we are not mistaken President Coolidge, unofficially warned American congressmen who accompanied the U. S. Fleet to Australia, against injudicious statements which might have the effect of causing misunderstanding and aggravating an already strained situation in the Pacific. Several members of the American congresional party who were in China a few days following the circulation of the Borah statement out here, condemned it in no uncertain terms as being most injudicious at the time and calculated to create misunderstanding not only between the United States and the other Powers, but also creating a wrong impression in the minds of the Chinese as to America's intentions in respect to the present situation of China. In making this statement we do not desire to take issue with Senator Borah's statement on the abolition of extraterritoriality, with which we and most of the other Americans in China are in complete accord.

BUT on the other hand we do desire to take serious issue with the distinguished chairman of the Senate Foreign Relations Committee in respect to the interview which appeared in the *New York Herald-Tribune*, in criticism of the cabled protest of the Hankow American Chamber of Commerce. When Senator Borah states that the "American chambers of commerce in China are a part of the imperialistic combine which would oppress and exploit the Chinese people," he is making a statement which does not accord with the record of the American chambers of commerce since their establishment in China about a decade ago. If Senator Borah will call for the records of the State Department, he will find there copies of cables and letters and annual reports containing resolutions from American chambers of commerce in China which have steadily supported American policy in this part of the world practically without exception. He will find that the American chambers of commerce have strenuously upheld the hands of our

government upon many vital points of policy such as opposition to the Japanese Twenty-One Demands of 1915, opposition to the decision of the Paris Conference in turning over the former German interests in Shantung to Japan, opposition to certain war-time restrictions instituted in this part of the world by the allied governments which were detrimental to American commerce and to Chinese rights. The American chambers of commerce have strenuously supported the principles of the Open Door as announced by John Hay and actively supported the work of the Washington Conference in attempting to bring about a new deal on the part of the Powers in their relations with this part of the world. Following the close of the Washington Conference the American chambers of commerce in China were so active in demanding that the American Government bring the treaties and various proposals into effect, that they raised the ire of Secretary Hughes, who feared that the agitation might prevent the French from ever ratifying the treaties. It is true that the American chambers of commerce in China have never urged the recognition of Soviet Russia, a subject close to Senator Borah's heart but otherwise the Chambers stand practically on the same ground with Senator Borah, and probably on much firmer ground because they are in the field and familiar with conditions.

NOW for one more word: in the course of Senator Borah's interview in the *Herald-Tribune* he said, "I am prepared with facts to disclose a condition of affairs which would be exceedingly distasteful. in my opinion, to the American Chambers of Commeree." We are exceedingly curious to know just what "facts" Senator Borah has in mind and we hereby call upon him to disclose those facts. If he has any proof of the so-called "imperialistic" activities of the American chambers of commerce in China, he certainly is derelict in his duties as a public official, when he does not make those "facts" known not only to the Americans at home but also to those residing in this part of the world. It may be good domestic partisan politics for Senator Borah to criticize the small group of American merchants who are striving to develop American commerce in this part of the world, but we doubt it! We also doubt whether the more or less intemperate remarks which he made in the course of his interview in the *Herald-Tribune*, will be rated in the records of the future as statesman-like utterances-

AS a fitting conclusion to this discussion we attach the following editorial comment on the subject which appeared under the heading of "Impatience and Common Sense" in the July 11 issue of the New York *Independent:*

"With his usual vigor, Senator Borah has spoken his mind with regard to the attitude of the American Chamber of Commerce in China during the persent crisis. The Chamber is 'a part of the imperialistic combine which would oppress and exploit the Chinese people and charge the result of their offenses to someone else,' he says, and threatens to 'disclose a condition of affairs exceedingly distasteful to the American Chamber of Commerce.' The outburst will be received with little pleasure in America, and it is somewhat doubtful if the remarks of the chairman of the Senate Foreign Relations Committee will make affairs easier for Americans in China.

"We are inclined to agree with Senator Borah in favoring a withdrawal of extraterritorial rights in China as soon as the move is practicable. It is a position to which our Government is committed and one which follows our general policy of self-determination for weaker powers. But in this case, as in others, idealism must be subordinated to common sense, a point which the impatient Senator from Idaho is too often prone to neglect.

"For China's government is too unstable to admit of the foreign powers' immediately withdrawing the safeguards which they have built up around their huge economic interests. It is too much to hope that these safeguards, which lie largely in foreign administered courts, always work to the interests of the Chinese. Often, no doubt, they aggravate conditions and pave the way for such disorders as these which are troubling the country today. But in the imperfect vision of the moment, they give a makeshift justice which is undoubtedly of a higher order than Chinese courts might be expected to deal not.

"The swan song of China's foreign domination may be heard in the present outbreaks, but until the country offers adequate guarantees of protection to foreign interests, the present unsatisfactory conditions must continue. The fault lies in procrastination. The commission authorized by the Washington Conference to discuss withdrawal of extraterritorial rights in China has delayed its investigations for too long a time. Not in strident cries of 'imperialism' is the remedy of the situation to be found, but in conference seeking to adjust a situation which works an injustice upon a sovereign state."

THE CONFERENCE ON BETTER NEWS FACILITIES

ACCORDING to a dispatch by the *United Press*, which appeared in *The China Press* of Shanghai on Sunday, August 2 there is to be held a conference on September 17 at Johns Hopkins University for the purpose of "discussing methods for obtaining a better exchange of news between the United States and China." Further the message stated that "it is hoped that some method may be devised for better and fuller exchange of news which might improve the political, cultural, commercial and religious relations of the two countries." Any discussion which would improve the facilities for the exchange of news between the United States and China should be welcomed, but from at least one of the names listed among the membership of the Committee on Arrangement it does not appear that *news* is the prime consideration. We rather think *propaganda* is more along the line of what some of these persons have in mind. There is just one thing which is handicapping the exchange of news between China and the United States and that is the exorbitant cable rates. Where it only costs from three to six cents a word to send news dispatches across the Atlantic ocean between the United States and Europe the cost across the Pacific is more than thirty cents gold and to make matters worse there is often a delay of several hours which has the effect of making the dispatches anything but *news* when they are received in newspaper offices in the United States. It is true that newspaper correspondents can use the U. S. Naval Radio from Manila to America, but there is nothing to connect Manila and China except a single cable and the rate on it for news dispatches is twenty-five cents (Mex.) a word,

likewise prohibitive. For the past five years there has been a hope that the Federal Radio and the Radio Corpration of America would be able to solve the problem through the erection of high-power stations in China capable of communicating directly with the United States, but this whole scheme seems to be hopelessly involved in a wilderness of diplomatic controversy and nothing constructive has as yet materialized. It has been proposed on several occasions that the United States Government should construct an additional cable across the Pacific, but this move has always been blocked by the so-called cable trust which does not want low-priced competition. During the recent trouble in China it has been necessary for several of the correspondents of American papers to send their dispatches around the world by way of London in order to get them to their destinations in a reasonable length of time. We hope something material will come from the conference at Johns Hopkins on September 17, but those attending should know beforehand that the only thing handicapping news communication between the United States and China is the exorbitant cable rate enforced by the Commercial Pacfic Cable Company which has a monopoly and really does not desire to handle news messages. If a reasonable cable rate could be provided, the problem of exchanging news between China and America and America and China would be solved automatically. The newspapaers and their correspondents would attend to that without any assistance from those who desire to bring about "better relations."

Hongkong's Foreign Trade in 1924

Hongkong's foreign trade for 1924 was in excess of that of 1923, notwithstanding unusually severe hindrances to trade resulting from political disturbances in South China. Imports for 1924 totaled £72,155,478, while the 1923 receipts amounted to £61,954,498, and exports aggregated £63,606,315, against £61,325,837 in the preceding year. Both imports and exports increased, but the largest advance occurred in imports, which exceeded exports by nearly £10,000,000. Since Hongkong's chief importance is as a transhipment point, the preponderance of imports indicates a large accumulation of goods in local warehouses, owing to the unsettled conditions prevailing in South China and the unwillingness of buyers to place orders. This situation implies the incurring of costly charges on the warehoused goods, which will eventually mean sales at a loss.

Trade by Countries Summarized.

The following table shows the direction of Hongkong's foreign trade for 1924 in comparison with 1923:

Forcign trade of Hongkong

Countries	Imports 1923	Imports 1924	Exports 1923	Exports 1924
United Kingdom	£6,967,219	£9,450,413	.....	.....
India	2,221,834	1,998,663	£1,027,462	£805,288
Straits Settlements	1,737,981	1,692,646	3,035,777	2,983,881
China	7,673,067	9,151,284	39,035,940	39,751,317
Japan, Korea, Formosa	6,674,896	9,127,732	3,592,627	3,523,798
Netherlands East Indies	7,757,494	9,457,968	1,159,927	1,054,662
French Indo-China	9,484,578	10,994,318	4,155,842	5,135,709
Siam	7,724,748	6,262,723	2,229,843	2,530,540
United States	5,859,747	5,915,372	2,485,979	2,489,122
Germany	1,131,514	1,835,884	.....	.....
Philippines	.....	.....	1,408,335	1,719,591
All other	4,421,420	6,268,485	3,195,105	3,612,407
Total	60,954,498	72,155,478	61,325,837	63,606,315

Chinese Oppose Tariff Conference as Smacking of Colonialism

BY CHARLES DAILEY

EVERYTHING is so different in China that the foreigner finds himself perplexed at every turn. Just at the moment when the foreign powers set under way the machinery for carrying out the terms of the Washington Conference agreement regarding a conference for the purpose of granting to China a 50 per cent increase in her present Customs tariff, with the promise of another 100 per cent when the *likin* and other taxes are abolished, just at that same moment the Chinese rose up and through various leaders asserted that they wanted no such conference at this late date.

The time has passed, they contend—frittered away in the weary years while France was considering the question of the ratification of the Washington treaties. Now is the time, these spokesmen proclaim, when China no longer must accept a state of semi-colonialism but on the other hand must demand full tariff autonomy, which can be gained only through the revision of existing treaties. And so, while the deposit of ratifications formally took place in Washington in early August, followed by notification that the conference would take place in Peking within three months from that date, at a time to be designated by China, this same China finds her leaders far apart on the question whether a conference shall be held for a revision of the tariff. Some of these leaders are very outspoken.

The Kuomingtang, or Peoples' Party, so long headed by Sun Yat-sen, has been opposed to the idea from the outset and has been the champion of the movement for the removal of unequal treaties. Feng Yu-hsiang, China's Christian Marshal, with an army of 200,000 men behind him, also has come out strongly in opposition to the holding of such a conference, and his stand is indorsed by many lesser lights. Marshal Feng has gone so far as to telegraph to the provisional government deprecating the concovation of the Customs conference in October or November, as now tentatively arranged, on the ground that China already has presented her demand for the revision of the unequal treaties and that such a revision will bring to China full tariff autonomy.

There is therefore no need for haste in calling this tariff conference, the Christian soldier asserts, and besides the moment is too critical for such a conference, with other and stronger demands pending. What Feng Yu-hsiang and other leaders see is the prospect that foreign powers, in order to obtain ground for bargaining in the settlement of various disputes with China, and particularly those growing out of the clash in Shanghai May 30, will use the tariff pledge as a lever. In this they probably are mistaken, for it seems to be the policy of the United States as the instigator and controlling spirit of the Washington Conference, to see to it that the resolutions of that Conference are carried out faithfully and without regard to other questions.

Marshal Feng waxes somewhat eloquently on the subject and holds that unless China insists upon having treaty revision and complete tariff autonomy the privileged powers will say that the Chinese are willing to live under the deplorable condition of a semi-colony or a semi-protectorate under the thumbs of the foreign imperialists and capitalists. This echo of the Bolshevist cry has been taken up by other leaders, and as this is written strong pressure is being brought upon the Provisional government to postpone the calling of the tariff conference, however much the government may require the increased revenues that are possible under its program.

Every effort is being made to induce the foreign powers to enter into a discussion of the question of treaty revision without waiting for the establishment of a stable government in China, which most observers agree is a long ways off, for China is nearer chaos and anarchy than at any time since the revolution of 1911 began.

Among the more conservative Chinese taking this stand are Dr. Chengting Wang, who has been a leader of the New China for many years. He has been Foreign Minister, was China's delegate to the Versailles Peace Conference, was the negotiator for the return of Shantung, the Commissioner for the negotiation of the preliminary Sino-Russian treaty and also is the Commissioner for the negotaition of the premanent treaty with the Soviet Republic. He is also a commissioner in the Shanghai case.

Dr. Wang emphasizes that Dr. Wellington Koo at the Washington Conference specifically and emphatically reserved to China the right to bring up at any favorable opportunity the question of full tariff autonomy for China. Hence, he contends, China is entitled to raise this question at the forthcoming Tariff Conference, if and when it meets, and he holds that there have been so many changed conditions in the nearly four years since the Washington Conference that the formula of that conference and still more the formula adopted in the Mackaye treaties no longer are applicable.

"When the measurements for a suit of clothes for a boy of twelve are made," he phrased it, "no one expects that the same measurement will be of any use when the boy is fifteen or sixteen. By the same token, the limiting of China's tariff to a maximum of twelve and a half per cent now is absurd. Such a figure might have been right in 1903, but it is not enough to-day. What China wants and is entitled to is full tariff autonomy.

"Moreover, it is worth noting that even under the Mackaye treaty and Washington Conference agreements, China will not be receiving more than the equivalent of 10 per cent duties. She now receives 5 per cent plus two and a half per cent transit tax. Under the Washington Conference she would get two and a half per cent more, or a total of 10 per cent. Under the Mackaye treaty she will receive a nominal 12 1/2 per cent, but she will have to yield the 2 1/2 per cent transit tax and give up the *likin*,

Admiral Tsai Ting-kan, co-director of Customs and one of the Commissioners to settle the Shanghai incident, also contends that a total import tariff of 12½ per cent is insufficient for the needs of China and that more must be obtained. If it cannot be granted by the Powers, then China must have full tariff autonomy and receive a free hand to carry out her own program.

Thus it will be seen that the ground is being laid for a deadlock at the Tariff Conference, if it meets under present conditions, and this gives currency to the belief that even if the conference is held it will be only a series of conversations. Certainly neither China nor the Powers will permit the conference to be used as a trading-post for the settlement of the claims growing out of the clashes at Shanghai, Hankow, Kukiang, Nanking, Chinkiang, Chungking and Canton, together with the numerous minor incidents at other points in the interior.

The Diplomatic Commission, of which Dr. Wang and Admiral Tsai are members, which is an advisory body to the government, has issued a statement on the subject and cites the Washington agreement. This statement cites the so-called unequal treaties and continues:

"Both at the Versailles Peace Conference and at the Washington Conference China asked for revision of these treaties. She did not get anything at the former, and what was promised her at the latter conference in the matter of tariff revision and abolition of extraterritoriality has not been fulfilled in the last three years.

"The knowledge of international affairs is growing among the people, and they cannot long tolerate the existence of the numerous foreign concessions within China, which like the colonies of the great Powers are administered entirely by the foreigners. The extraterritorial privilege enjoyed by the foreigners and the freedom of fixing the tariff rates denied to the Chinese are the two greatest grievances of the nation. * * *

"The first article of the nine-power treaty concluded at the Washington Conference engages the signatory powers to respect the sovereignty, independence and administrative integrity of China. The second section of the same article engages the signatory powers to provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government. It is easy to see that the existence of the unequal treaties is diametrically opposed to the spirit of this very first article of the Washington agreement. No Power can pretend to respect the administrative and territorial soverignty of China if she insists upon the maintenance of her concessions, settlements, consular jurisdiction and the fixed rate of tariff. * * * "

The Kuomingtang as a party opposes the holding of the Tariff Conference, and the keynote address has been made in the Chinese columns of the bi-lingual *Min Pao* by Hsu Chien, a running translation of which appears in the English section, in which it is stated that "no other country on earth suffers its sovereign right to control of its customs tariff to be usurped by other Powers. Two very serious consequences have ensued since our freedom to fix our own tariff was lost. First, we are rendered wholly disabled from bringing our commercial enterprises to a level attained by those of other Powers. Secondly, as long as the fixing of our customs tariff is in the hands of the Powers the finance of this country is subject to permanent pressure by the Powers.

"The inevitable result of the Tariff Conference must necessarily be to place in the hands of foreigners the control of our customs revennes. Inasmuch as the customs revenues of our country constitute a substantial portion of our income, it should be keenly brought home to our people that the control by foreigners of the customs revenues means the international control of our finance."

Continuing, Mr. Hsu proceeds to trace how China's sovereign right to regulate her own tariff was gradually lost through successive treaties negotiated between China and the Powers. "Ever since the Sino-British treaty, which was exacted from China at the point of a bayonet following China's defeat in the first Opium War and which imposed the first restriction on China's tariff autonomy, the other Powers succeeded in securing the right to fix our tariff through the operation of the most-favored-nation clause. * * Thenceforward, through the enactment of a number of so-called regulations and the existence of many malpractices China's tariff autonomy has disappeared. Consequently our commerce is in a pitiable plight, resulting in a depleted national treasury.

"Since the conclusion of the World War the movement for national liberation has swept over the whole world. If we want the revision of the customs tariff at all, we must first demand the fundamental revision of the unequal treaties, and in case this is accomplished the restoration of our tariff autonomy is a necessary incident. Otherwise it is better to lay aside the proposal and await a favorable opportunity to secure our tariff autonomy in its entirity. From this we conclude that it is more advantageous not to have the conference. * * * The present and future increase which China may probably get at the conference can only serve the purpose of securing foreign obligations. Is not this similar to 'taking a cup of poison in order to quench one's thirst'?

* * * "The Powers are indeed aware of the fact that once tariff autonomy is returned to China, foreign obligations can easily be discharged within a few years. It is apparent that the refusal of the Powers to return to China her tariff autonomy in its entirity has only one meaning, which is that the Powers wish to conquer China by economic domination. Any shadow of doubt as to this statement disappears when we bear in mind that Great Britain and America have no security whatever for the debts owed by the French, and the same is true as regards British obligations to America. * * * It cannot be too much emphasized that China's participation in the tariff conference will mean the voluntary surrender of her sovereign right, as well as her right to demand the revision of the unequal treaties."

Peking, July 30, 1925

Westinghouse Incorporates Million Dollar Concern for Japan

Organization of the Westinghouse Electric Company of Japan, incorporated under the laws of the State of Delaware and capitalized at $1,000,000, to provide facilities for the distribution of Westinghouse products directly to Japan, was announced by the Westinghouse Electric International Company Friday by a *United Press* cable from New York and confirmed by Mr. I. F. Baker, head of the agency in Tokyo, who becomes managing director of the new corporation.

The formation of the new company to operate exclusively in Japan was interpreted in business circles as an assurance that the Westinghouse firm intends to maintain its independent Tokyo agency, which was established after the failure of Takata and Company, permanently. The Westinghouse Company will thus be one of the first large foreign corporations to sell its products directly on the market in Japan, rather than dealing through a Japanese or foreign agency.

The other officers of the company, besides Mr. Baker, are Mr. L. A. Osbourne, who left Japan only recently, and who is president, Mr. Guy E. Tripp, and Mr. E.D. Kilbourne, vice-president and general manager. All the stock in the Westinghouse Electric Company of Japan is owned by the Westinghouse International Electric Company.

A Defence of the Chinese Family System

BY CHANG KEN-NIEN

THE flower of Chinese civilization has always been embedded in the family life. China, as a nation has flourished in the Golden Ages and suffered in the periods of chaos. Notwithstanding all political and social changes, the family life has remained intact.

The sudden impact of Western influence has however brought on a dreadful peril. It has been the clash of ideals, the conflict of thoughts that has caused the trouble. "East is East and West is West, and never the twain may meet." Each has different characteristics suitable only to its own soil. It is unwise that China should destroy the fibre of her family life and remodel it after the West. People who are intoxicated with so-called Western culture have heaped upon Chinese family life much criticism which is not altogether fair and justifiable. Some blame Chinese fathers for possessing absolute power over their children. Undoubtedly, these critics have overlooked the fact that the dignity and justice of parents are by nature blended with the feeling of maternal love. Others deplore that the female sex in China is humbled and despised. They, too, are blind to the fact that a woman with sense usually rules the family. Still many others find fault with the big family in China for lacking a spirit of independence and individualism. Of course, they under-estimate the necessity of cooperation and mutual help.

Certain good traits can belong only to the big family Just consider an instance where grand-parents, parents, sons and grandsons and their several families live in one home. This requires strict family discipline and order—great social forces which are indispensable not only to society but also to the nation. What a great task our Chinese family has undertaken for the training of true citizenship! In the big family, the younger folks must pay high respect to the elder, the seniors must set a good example for the juniors. Prudence, dignity, and love on one hand; reverence, obedience, and helpfulness, on the other. Filial piety is the strongest sentiment experienced by Chinese people. Dutiful sons rise very early to work on the farm or in the shop and return home at the dusk of evening to hand over every cent of earning to their father. Modest and shy-looking maidens are hidden in the home to work on the embroideries or to take up domestic duties. Hard work for the sturdy and young; rest and ease for the aged and invalid. Parents, when they come to the declining age, enjoy much comfort and happiness. It would be a shame in China to talk about pensions for the aged and invalid.

Much ink has been spilt about the emancipation of Chinese women. We should give great credit to those people who promulgate the education of Chinese women with unflagging zeal and energy. Nevertheless, we disapprove of the accusation against Chinese males for treating the other sex with cruelties. The accusation is without foundation for Chinese women are highly respected and Chinese husbands are usually most fond of their wives. Foreigners will not hesitate to send their wives to work in factories, when they themselves cannot support the family. Chinese husbands would rather toil themselves to exhaustion than allow their wives to work. Chinese people regard their marriage as the Decree of God, as the union between Heaven and Earth which can never be altered until death separates them. Divorce is strictly condemned in China. Unless the wife is sterile or for any other reason bears no son, she will be always honored in the family. In the home, Chinese women are more powerful than men, for it is a precept laid down by our sage that men should attend to the social duties while the women should take charge of the domestic duties. Equal importance is attached to the social and domestic duties. Husbands and wives should look upon each other as guests. It is rather absurd to question the rights of men and the rights of women. They live in happy union. Why should people raise the question of superiority or equality before true lovers? Much doubt is also entertained by thinking people of the emancipation of Chinese women. Does it simply mean that women should go to the factory and leave the domestic duties to the men? Or does it merely imply that Chinese women should have a chance to visit the music-halls and picture-palaces? In ancient times, the well-to-do families invited good scholars to tutor their children; and sisters could receive the same benifits of education as their brothers. There were Chinese girls specializing in the liberal arts and having a good knowledge of poetry and drawing. What we need today, therefore, is to give Chinese women better opportunities to receive education. To raise any more issues is an unwise measure.

In China, marriage is treated with the seriousness that its importance demands. When a foreign girl falls in love with a young man, she accepts his proposal; they call upon the minister to witness their vows and the marriage is over. Chinese marriage takes a long time. The marriage state is entered into only with due formality and the observance of religious rites. It is not always true that Chinese parents exercise absolute power over the marriage of their the children. The most prudent parents would first consult the wishes of their sons or daughters before they consult God. Nor is it true that a Chinese marriage can be compared to the sale of chattels. The bridegroom's family sends over a cash payment to the bride's family before marriage, in order to fit out a splendid-looking dowry. In this customary practice, we find several advantages: Things are bought in accordance with the wishes of the bride, and this naturally provides the bride with enough clothes and furniture to last her through life. Chinese parents are equally concerned in the choice of brides for their sons, since the daughters-in-law will come to live with them and serve them during their life-time. The interests of parents and their sons are identically the same: to have a prudent and obedient daughter-in-law for the parents, and to get a virtuous wife for the son. In the foreign countries, young men and young women have the privilege of choosing their own mates. Biological instinct dominates their hearts, and it is quite natural that some young men choose their life-companions simply for their good looks rather than for the inner virtues, which are more important. There must be reasons for so much unhappiness in many foreign familys, a fact proven by the many cases of divorce are brought to the courts.

In the Chinese family, the spirit of cooperation and mutual help prevails. As long as the family property is undivided, all the sons contribute their earnings to the family purse, regardless of any difference in amount. It frequently happens that brothers pay each other's debts. If a member's character is stained, or he commits any crime, he is admonished by the other members. The sick brother is waited upon and the invalid sister is provided for. The wife of the elder brother makes shoes for the younger brothers, and the aunt cooks meals for the whole family. There is a division of labor in the big family and services are rendered in the most efficient way. There is no country in the world where the family ties are stronger and more extended than in China. The spirit of mutual help manifests itself in all the relationships of life.

It is a radical attempt to tear down all the old institutions and to adopt what is Western and new. This certainly will weaken the foundation of our national structure. Our family life is the crystalisation of strict discipline, disinterested love, and mutual help. To study new ideals is advisable, but to eradicate the old ones ruthlessly is unwise. The Chinese family only needs a constructive program for reforms; it must repudiate destructive measures. We may appreciate the sweetness and attraction in the life of foreign people; still we must love what is morally good and admirable in our own life. Our family is some times criticised because of the discipline. But no one can deny that it has been an institution of morality.

The Chinese Journal of Sociology

That China has less of vice and prostitution than most countries of the West is the opinion expressed by Mr. J. S. Burgess, M. A., in an address delivered before the Y. M. C. A. in Peking and published in the April number of *The Chinese Jourpal of Sociology*. Mr. Burgess, who is head of the sociology department of Peking University, deals with the problem of prostitution in China, particularily as that vice is being conducted in Peking. His article gives figures showing the actual conditions of vice in the Capitol City at the present time and attempts to explain the causes of prostitution, the evils effects upon the individual, the home and the nation and offers some valuable material toward a cure for the pernicious system.

Other subjects discussed in the journal are: "Teaching and Research in Sociology" by Dr. Leonard Hsu; "Social Survey of Ricksha Coolies in Peking" by Dr. C.H. Li "Population and the Economic Question" by Prof. H. C. Hsiao; "The Relation Between Man and Culture" by Leonard Hsu; "Question of Colonization" by Dr. Yu Tien-Hugh; and a special document prepared by the Commission of Social Research in China on the "Possibilities of Social and Economic Life in China." The article by Dr. Burgessis printed in English while all the others are in Chinese.

The Russian Advance Into Manchuria

C. WALTER YOUNG
(From the Chinese Students Monthly)

BEFORE the Manchus had consolidated the factious tribes of Manchuria and dispatched to the last ruling emperor of the Mings a daring manifesto which announced their intention to "reduce and subjugate the dynasty of the Ming" the Russians had begun their trek eastward to the Pacific. The capitulation of the Dragon Throne to the Manchus (1644) destroyed the dikes of mutual exclusion between Manchuria and the southern Chinese provinces, symbolized by the Great Wall of the Mings, and the Chinese "burst like torrents upon Mantchouria." [1] Manchuria was thrown open to the Chinese but not to the Russians who constantly came into conflict with the Manchu soldiery along the upper Amur. This guerilla warfare was halted temporarily by the signing of the treaty of Nerchinsk (1689), which determined that the Russian fortified town of Albazin should be demolished, and which designated the Argun and the Gorbitza rivers as part of the boundary between Russian territory and Chinese Manchuria. [2]

Early Encroachment on Manchuria

For the nearly two centuries which followed, which period was punctuated by several minor treaties, encroachment on Chinese territory continued until it was brought conspicuously to the fore by an abrupt attempt to seize the whole of Manchuria. In 1857 Count Putiatin, after traveling eastward along the Amur river, through Saghalien, around Korea, and into the Gulf of Pechili, induced a local mandarin to convey a letter to the Chinese emperor, which contained a request on behalf of the Tsar, for the cession of Manchuria. [3] This the emperor refused, while the mandarins in the frontier provinces repeatedly protested against continued Russian occupation of Chinese territory.

In the following year, however, Count Nicholas Muravieff, then governor of eastern Siberia, succeeded in obtaining from the Chinese the treaty of Aigun (1858) which, in addition to conceding to the Russians practically all the privileges concerning navigation of the Amur which they sought, defined that river as the northern boundary of Manchuria. [4] Two years later, by a Russo-Chinese agreement signed at Tientsin, the Ussuri river was definitely indicated as the eastern boundary of Manchuria. Then began in earnest the Russian advance into eastern Asia which was destined to result in the practical absorption of north Manchuria and part of south Manchuria.

The events which transpired following the Sino-Japanese war and which culminated in the tripartite intervention of Russia, Germany and France to compel Japan to retrocede the Liao-tung are too much matters of general knowledge to warrant detailed attention here. It is well to note in passing, however, that the Russian action at this juncture was motivated by a desire to complete the construction of the Trans-Siberian railway to the Pacific by building the connecting link across northern Manchuria. The Trans-Siberian was "one of the most cherished dreams of Alexander III," while the Manchurian short-cut was of like import to Count Witte. As Minister of Finance under Tsar Alexander II, and later under Tsar Nicholas II, it was he who had more influence on the course of Russian policy for the next ten years than had any other man. The Sino-Japanese war furnished the opportunity sought and Witte, although admitting that Nicholas "was possessed by an unreasoned desire to seize Far-Eastern lands", sought to ingratiate China by instigating the tripartite intervention, the ultimate end in view being to obtain the consent of China to the short-cut across Manchuria. [5]

Russian Policy in Manchuria After 1894*

Russian Loans to China as an Expression of Political Policy

Russia thereupon ostensibly began to assume a more conciliatory attitude toward China, posing as a champion of her territorial and administrative integrity. And it was not difficult for Russian diplomacy to influence the Chinese court and bureaucracy to believe that more was to be feared from Japanese occupation of South Manchuria than from Russian. The situation did afford Russia the opportunity to assist China in recovering from the burden and the aftermath of the war with Japan. Within four months after the signing of the treaty of Shimonoseki by which among other provisions, the Chinese government was to pay to the victors a money indemnity of 200,000,000 Kuping taels, the Russian government came forward to assist the Chinese in the payment of the indemnity. Subsequent events in the foreign affairs of China indicate that the attitude of the Russian government, and that of other foreign powers, for that matter, who proffered loans to a bankrupt government, was not entirely gratuitous. Count Witte saw to it that the loan of practically half the amount of the indemnity, the so-called Franco-Russian loan of 1895, which was subscribed to principally in the French money market, [6] was guaranteed by the Russian government by the terms of the original loan agreement, and by specific statement in an imperial ukase. [7] This obligation was assumed not without purpose, nor without reasonable assurance that the Russian government would profit therefrom. Count Witte himself pointed out to Li Hung Chang at St. Petersburg in 1896 that China owed much to Russia for helping her pay the indemnity to Japan. [8]

Moreover, the Franco-Russian loan of 1895, the payment of which was guaranteed by the Russian government, became after 1899 a potential menace to the policy of the open door in Manchuria. Following the Boxer Rising the Russians in August, 1900, took advantage of their acquired strategical position to raise their flag over the Maritime Customs house at Newchwang, paid the returns of the customs into the Russo-Chinese Bank, never a tael of which was returned to the treasury of the Maritime Customs. [9]

The opening of the year 1896 saw the inception of a Russian scheme for obtaining political control of Manchuria through the Russo-Chinese Bank, an institution which, though operating under the guise of a commercial organization, was in reality an arm of the Russian Minister of Finance or the Foreign Office. It was indeed "the Mr. Hyde to Russia's Dr. Jekyll" by which the Russian government "possessed a means of doing everything that was [is] impossible for it to do as a Government," [10] The articles of incorporation of the bank were hardly to be taken at their face value, in the light of the statement of General Kuropatkin that it was under the direct control of the Minister of Finance, who was at the same time "managing in the Far East railways, a flotilla of merchant steamers, a certain number of armed vessels, the port of Dalny, and the Russo-Chinese Bank." [11] Baron Rosen, Russian Minister to Japan at the time of the outbreak of Russo-Japanese war, characterized the bank as a "hybrid politico-financial institution which in reality was but a slightly disguised branch of the Russian treasury." [12] These facts indicate why the existence and functioning of the bank was prejudicial to the administrative integrity of China, and favorable to a furtherance of Russian expansion into Manchuria. The Russo-Chinese Bank has since altered its original character by merging with the Banque due Nord. Its successor is the Russo-Asiatic Bank which today operates in the Orient, three-fifths of whose shares are held by the French.

Russian Railway Policies in Manchuria

One of the principal activities of the Russo-Chinese Bank was the construction and operation of railways in the Three Eastern Provinces. Though the part that this bank played in financing the construction of the Manchurian

1. Huc, Abbe. Travels in Tartary, Thibet and China during the Years 1844-45-46, 2 vols. (Chicago reprint, 1898) v. 1, p. 107.
2. Hosie, A.: Manchuria: Its People, Resources and Recent History. (London, 1904) p. 136.
3. Krausse, A.: Russia in Asia. (London, 1900) p 51.
4. China Year Book, 1923. (Tientsin, 1923) p. 682.
5. The Memoirs of Count Witte. Edited by Abraham Yarnolinsky. (New York, 1921) p. 52.

* Believing that a topical or subjective, rather than a chronological or historical, analysis of Russian policy will contribute to a better understanding of the course of events treated, the writer has chosen to discuss Russian policy under the following heads: Loans, Railways, Customs, Land Leases and Control of Administration, and Military Position.

6. The Memoirs of Count Witte, p. 85; U. S. Consular Reports, October, 1895. No. 181, p. 198; The China Year Book, 1923, p. 613; Korff, Baron S. A.: Russia's Foreign Relations during the Last Half Century (New York 1922) p. 55.
7. U. S. Consular Reports, October, 1895. No. 181, p. 198.
8. The Memoirs of Count Witte, p. 89.
9. British Parliamentary Debates. Fourth Series. July-August, 1903. No. 126, p. 176; February, 1904, No. 129, p. 611; U. S. Foreign Relations, 1903-04, pp. 53-54.
10. The Nineteenth Century. June, 1903, p. 938.
11. General Kuropatkin. The Russian Army and the Japanese War. 2 v. (New York, 1909) v. 1, p. 172; Lord Charles Beresford: The Break-Up of China. (New York 1899) p. 45; British Parliamentary Debates. Fourth Series, 1898. No 59, p. 415.
12. Baron Rosen. Forty years of Diplomacy. 2 v. (New York, 1922) v. 1, p. 198.

railways has been known generally, the authenticity of certain alleged treaties and agreements bearing on the subject has been the cause of widely variant interpretations of Russian policies. The fact the authenticity of some were denied by the Chinese delegates at the Washington Conference, while others, previously in doubt, were authenticated, has made possible a more adequate interpretation of the actual course of Russian policies in Manchuria during this period. Moreover, the publication of the *Memoirs of Count Witte* has served to make possible a more trustworthy account of the part which this eminent diplomatist played in the dealings with the Chinese government, particularly with Li Hung Chang. Count Witte, more than any other man, was responsible for the construction of the connecting link of the Trans-Siberian across Manchuria; he was most influential in securing for China the Franco-Russian loan of 1895; he was the creative force behind the vast schemes undertaken by the Russo-Chinese Bank. Finally, the publication of Baron Rosen's *Forty Years of Diplomacy* in 1922 has also helped to evaluate Count Witta's role in the Manchurian adventure.

The constructing of the Trans-Siberian railway across northern Manchuria and particularly the building of the southern branch from Harbin, now the Chinese Eastern Railway and the South Manchuria Railway, was the chief cause underlying the Russo-Japanese war, which together with Russian intrigue in Korea, the building of Dalny and the fortification of Port Arthur, combined to make their non-evacuation of Manchuria following the Boxer Rising unbearable to the Japanese. The purely economic motives for the construction of the Manchurian railways by the Russians seem to have been overestimated. At the outset this trans-Asiatic railway scheme of Alexander III and Nicholas II was the result of "an unreasoned desire to seize Far Eastern land." [13]

When Li Hung Chang was in St. Petersburg attending the ceremonies accompanying the coronation of the Nicholas II, Witte in interviewing him "dwelt on the services he [Witte] had recently done" to the Chinese government in the matter of the loan to China, and pravailed upon the Chinese representative to grant a concession for the spur across Manchuria "in order to uphold the territorial integrity of the Chinese Empire," as Witte phrased it. This preliminary agreement was written into permanent form by the treaty of alliance of May, 1896, the authenticity of which was established by the Chinese delegation at the Washington Conference. Farther, Dr. Hawkling Yen, of the Chinese delegation, stated that the Chinese government actually contributed 5,000,000 Kuping taels to the Russo-Chinese Bank for the construction of the line, and that the Chinese Eastern Railway Company has never paid the Chinese government that sum in return. [14]

In conection with these agreements of 1896 concerning the Chinese Eastern Railway another alleged convention which has gained notoriety under the term the "Cassini Convention" merits special consideration. For a long time opinion has been divided with regard to the authenticity of this convention alleged to have been negotiated by Count Cassini and Li Hung Chang, and which was reported in the *North China Herald* of October 30th, 1896. The Chinese delegates at the Washington Conference made no mention of the existence of the so-called "Casini Convention." Nor do the *Memoirs of Count Witte* offer any indication of its existence. On the contrary, the extreme caution with which Witte approached Li Hung Chang on the subject of the concession for a railway across Manchuria, the objections of the Chinese envoy, and the fact that Count Witte alone was empowered to negotiate such an agreement for the Tsar, are adequate testimony to the fact that the so-called "Cassini Convention" never existed. In all probability this alleged agreement was no more than badly confused and garbled report of the two actual agreements which had been negotiated, but, up to this time, had been kept secret. The conclusions of M. Cordier, who, without having had access to the *Memoirs of Count Witte*, and writing before the disclosures of the Washington Conference, declared that the so-called "Cassini Convention" was fictitious, are probably correct [15]

The contract for the construction of the southern branch of the Chinese Eastern Railway was let to the Russo-Chinese Bank on July 6th, 1898, where-by the company was to have "absolute and exclusive right of administraion of its lands," in accordance with the previous Russo-Chinese agreement of September 8th, 1896. This provision, together with those establishing preferential transportation charges in favor of the Russians, and the relation of the Russian-Chinese Bank to the Russian Government, were in frank violation of the principles of the open door, to which lip service was rendered in the agreements. [16] Linked with the lease of the Liao-tung to Russia and the seizure of Port Arthur, this policy of necessity aroused the resentment of the Japanese who by 1898 had captured approximately twenty five per cent of Newchwang's port tonnage, while Russia's share was practically mihil.

The exclusive policy of the Japanese in South Manchuria following acquisition of the Russian rights by the treaty of Portsmouth, though often referred to as unprecedented and highhanded, had many precedents in the manner with which the Russians conducted political and commercial affairs during their period of ascendancy and hegemony. Discriminatory freight rates and customs charges, bounties and rebates, exclusive banking methods, subsidized steamship and railway lines, preferential harbor dues, the closing of Port Arthur to international trade, seizure of the Maritime Customs house at Newchwang and insistence on domination of the customs at Dalny—all these were instances of preferential treatment accorded solely to Russians.

Control Customs Administration

Another means by which the Russians displaced Chinese political authority in Manchuria was by collecting the returns of the customs, both native and maritime. When the concession for the Manchuria railway was granted to the Russo-Chinese Bank in September, 1896, the agreement contained several clauses which made customs duties discriminatory in favor of the Russians. [17] The provision that merchandise imported from Russia into Manchuria by the railway, as well as merchandise exported over the same route, should be charged the regular import and export duty less one-third, introduced the principle of preferential tariffs into the trade of Manchuria. As a matter of fact, the Russian officials chose oftener to admit goods proceeding over the railway into Manchuria duty free than to levy the reduced rate. [18]

With the lease of the Liao-tung on March 27th, 1898, the Chinese Government relinquished in effect the right of exercising military and civil jurisdiction within the territory leased, and four months later, by the railway agreement of July 6th, 1898, that government specifically forfeited to Russia full control of the customs within the leased territory. For all practical purposes the Liao-tung became an integral part of the Russian Empire.

As a step in Russia's plan to absorb Manchuria, Dalny, the "far away" city, was created by imperial mandate, ostensibly "summoned by Divine Providence to contribute toward the friendly intercourse of the people of the Occident with those of the Orient," as the Tsar expressed it, but actually to drive the other foreign nations out of business at Newchwang. Built entirely by funds supplied from the Russian treasury, this mushroom town sprang up in an astoundingly short time Minerva-like full panoplied, with docks, wharves, railway terminal facilities and buildings. When construction of the city began it had practically no trade at all. Within a short time, however, trade was diverted from Newchwang where British, Japanese and American merchants had established business houses, and from which they could not easily change to take advantage of the fact that Dalny was made a free port. Both the British and American governments protested to the government of Russia that a branch of the Maritime Customs should be established at Dalny, but success was

13. The Memoirs of Count Witte. p. 83.

14. Proceedings of the Conference on the Limitation of Armament (Washington, 1922). p, 1380; Japan Chronicle, August 30th, 1923. p. 301.

15. Cordier, Henri. Histoire Generale de la Chine (et de ses relations avec les pays etrangers). Quartre tomes. (Paris, 1920) v. 4. pp. 202-203; Korff! Baron S. A.: Russia's Foreign Relations During the Last Half Century. (New York, 1922) pp. 56.

16. The first circular note of John Hay enunciating the doctrine of the open door was despatched to the powers on September 6th, 1899; the second significant note was issued on July 3rd, 1900. To these notes the Russian Foreign Office replied in an evasive manner, particularly with reference to harbor dues and railway charges.

17. Manchuria Treaties and Agreements. Pamphlet No. 44. Division of International Law. Carnegie Endowment for International Peace. (Washington, 1921) p. 15-16. Citations are made with reference to this document because it is in briefer compass and probably more accessible than the more extensive work, MacMurray's China Treaties and Conventions.

18. Whigham, H. A. Manchuria and Korea (New York, 1904) p. 152.

19. U. S. Foreign Relations. 1903-04. p. 48; British Parliamentary Debates. Fourth Series. 1903. No. 124. p. 1025.

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blocked by Russian insistence that the management of the service be in their own hands, a concession which the Chinese, quite naturally, refused to grant.[19] Thus, although Russian diplomacy was careful to insure that their agreement with China was not in open violation of the policy of the open door, the effect was such as to constitute, in practice if not in principle, a violation of that doctrine.[20]

At Newchwang the Russians as early as 1898 landed railway materials without examination or payment of duty, while the absence of any Russian consul in the city made redress for grievances sustained by the local Chinese for loss of property at the hands of the railway builders impossible.[21] Following the Boxer Rising in 1900 the Russians took advantage of their acquired strategical position in Manchuria to raise their flag over the Maritime Customs at Newchwang, an act which because it was entirely unprecedented and uncalled for, prompted the protests of British and Americans alike. Technically, the buildings of the Maritime Customs were British property and were registered in the name of Sir Robert Hart, and, therefore, their seizure was contrary to usages of international law.

It is evident that the Russians never intended to remit to the Maritime Customs treasury any of the returns collected at Newchwang, a fact which Mr. Joseph Walton, M. P., placed before Parliament in his interpellations to the Secretary of State for Foreign Affairs after the former's return from Manchuria. "To the tune of 1,500,000 taels a year," declared Mr. Walton, the Russians collected the customs at Newchwang, a sum which was never turned over to the Maritime Customs Service, facts which were admitted by the British foreign secretary.[22] With reference to Russian control of customs in Manchuria it is fair to say, therefore, that they disregarded the terms of the Hay proposals ever after these terms of the doctrine had been agreed to nominally by the Russians themselves.

Russian Land Leases and Control of Administration

The railway agreements of September, 1896, and July 1898, were so phrased as to grant to the Russian government complete political jurisdiction over the territories traversed by the railway. Over the lands "actually necessary for the construction, operation and protection of the line" the Russians were to have "the absolute and exclusive right of administration"—a provision which deprived the Chinese government of the right to exercise those functions which are commonly considered to appertain to a sovereign power over its territory, such as the rights of taxation, customs collection, and maintenance of the public safety. In addition, a Russian imperial ukase of August 2nd 1901, further provided that Russian subjects were to enjoy full extraterritorial privileges within the railway zone and that Russian soldiers were to be entrusted with the duty of apprehending violators of the law, and the serving of summons and executing of orders and sentences of the justice of the peace courts which were to be established along the Chinese Eastern Railway.[23]

How broadly the Russians construed their acquired powers may be inferred from one instance, the case of Harbin. An observer passing through the city in 1902 commented that "Harbin and the country round provided the strongest possible evidence that, whatever diplomatic language may be used, Russia is in possession Manchuria and intends to stay," while an American consul reported to Washington in 1904 that foreigners were only "permitted there by sufferance," the Russian local officials having taken over complete control of the city to entire disregard of Chinese sovereignty over the place and contrary to international law.[24]

The *Memoirs of Count Witte*, when read in conjunction with the writings of Baron Rosen and Baron Korff, serve to establish the fact that the seizure of Kiao-chau was made in consequence of a mutual understanding between Tsar Nicholas and Kaiser William during the summer of 1897. The subsequent seizure of Port Arthur on December 18th, 1897, was accomplished in pursuance of this understanding, instigated particularly, however, by the aggressive motives of Count Muravieff, the Russian Foreign Minister. The lease of Liao-tung on March 27th, 1898, conferred upon the Russians "the entire military command of the land and naval forces and equally the civil administration" within the territory thus leased—a grant of jurisdiction by which the Chinese government, through the added influence of an appreciable bribe to Li Hung Chang and his colleague, was impelled to forfeit complete administrative control within the area. The lease and fortification of Port Arthur was one of the factors which contributed materially to the ill-will which Japan had for Russia's position in Manchuria, Count Witte being authority for the statement that had Russia adhered to the professed desire to maintain the territorial integrity of China she "would have been spared the disgrace of the Japanese war"[25]

The Military Position of Russia in Manchuria

Russian diplomacy was made effective by the concentration of large armies of regulars and so-called railway guards within the borders of Manchuria, or stationed at strategically important posts on the frontier within striking distance of any point on or near the railway lines. The number of these troops was out of all proportion to the needs which either Boxers or bandits created. Long before the Boxer Rising in August, 1900, the Russians had concentrated in Manchuria a force probably ten times the number necessary to protect the Chinese Eastern Railway.[26] And when the Boxer trouble did break out General Kuropatkin took advantage of the situation and 'brought into play an all too large contingent of troops, although it was obvious that the most insignificant military force was sufficient to restore order."[27] The Russian militarists, in this instance at the instigation of General Kuropatkin, took advantage of the unsettled state of affairs to tighten their grip on Manchuria; Russian soldiers, numbering from 190,000 to 200,000, poured into the interior of Manchuria from Khabarovsk, Vladivostok and Port Arthur.[28] In retaliation for an historic attack on Blagovestchensk on the Amur, the Russians meted out punishment to the Chinese with blood-and-iron severity, while Newchwang, far to the south, was occupied by their troops.[29]

Then began a period of diplomatic jockeying between the Russian government and the government of Japan and the United States in particular, which forms a most instructive chapter in the history of Russian policy in Manchuria, revealing as it does the great discrepancy which existed between Russian profession and practice. In spite of the fact that the Russian government, through Count Muravieff, on December 30th, 1899, had declared adherence to the policy of the open door with respect to China, though with certain reservations, Count Cassini, then Minister to Washington, did all in his power to bring Hay's achievements to naught.[30] And then on April 8th, 1902, representatives of Russia and China signed at Peking the notorious Manchurian Convention in which the former made virtually a complete renunciation of civil and military control in Manchuria the price which China was to pay for Russian evacuation. While again rendering lip-service to the administrative integrity of China the convention provided that the Chinese government was to organize "no other forces over and above those decided upon by the Russian military authorities"—a provision which was in frank contradiction of the policy of the open door.

Having once inserted this provision into the convention the Russians took care that there was sufficient internal disturbance among the Manchurian bandits to furnish an argument, however specious in fact, why Russian troops should not be withdrawn. When the dates arrived for the evacuation of Manchuria by the Russian troops, evacuation as carried out meant no more than removal of the troops

20. Russian action at this juncture has an interesting parallel in the action of the Japanese following the Russo-Japanese war, when, by granting reduced customs and freight rates on goods entering Manchuria by way of Antung and Korea, they effectively discriminated against the merchants of other nations at Newchwang.
21. Lord Beresford, p. 37; appendix, p. 472.
22. British Parliamentary Debates. Fourth Series. July-August. 1903. No. 126. p. 176; February, 1904. No. 129. p. 611. See also Asakawa, K. The Russo-Japanese Conflict: Its Causes and Effects. (Boston and New York, 1904) p. 238.
23. Manchuria Treaties and Agreements. p. 40.
24. U. S. Consular Reports. April, 1904. No. 283. p. 2. For a discussion of the controversy between the Chinese and Russian governments over administrative jurisdiction in Harbin see the Japan Chronicle, August 30th, 1923, p. 302; August 23rd, 1923. p. 268.
25. The Memoirs of Count Witte. p. 93.
26. U. S. Consular Reports. June, 1900. No. 227. p. 203; Lord Beresford, p. 47; The London Times, February 8th, 1900.
27. The Memoirs of Count Witte. p. 110.
28. Baron Rosen, v. 1. p. 201; The Memoirs of Count Witte. p. 114; General Kuropatkin. v. 1. p. 155.
29. The London Times, August 13th, 1900; Baron Rosen, v. 1. p. 201.
30. Education of Henry Adams (Boston and New York, 1918) p. 374.

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to point from where cities evacuated could be struck immediately and without resistance.[31]

The reason why this nominal "evacuation" of Manchuria was stopped suddenly by order of Admiral Alexeieff has remained generally a matter of conjecture. The fact was that the admiral dispatched an armed mounted force to Feng-huang-cheng, near the mouth of the Yalu river. "Thus, far from completing the evacuation of Southern Manchuria," write General Kuropatkin, "we actually moved into parts of it that we had never before occupied."[32] This military move aroused the suspicion of Japan and there is considerable evidence to show by this time the Japanese government were fully aroused as to the possible eventuality of war with Russia.[33]

The mystery surrounding the sudden dispatch of troops to the Yalu, left veiled by the memoirs of General Kuropatkin, has been cleared by the disclosure of certain documents found in Port Arthur, and by the writings of Baron Rosen and Count Witte. That the order of Admiral Alexeieff was in consequence of the influences which a certain state councillor Alexander Mikhailovich Bezobrazoff, promoter and speculator, had over the Tsar seems to be well established. Through his representations to the Tsar 2,000,000 rubles from the imperial treasury were placed at his disposal for financing a timber enterprise in the Yalu region.[34] The Tsar was personally interested in the reputed wealth of the Yalu timber reserves and Admiral Alexeieff was elevated to the rank of Viceroy of the Far East. War with Japan was imminent.

These events serve to explain why the Russian Foreign Office assumed a more militant attitude toward the Chinese government and made bold to demand new concessions, particularly as exhibited by the "demands in seven articles" brought to light in Peking in April, 1903, and in open defiance of the policy of the open door. The Japanese government, fearing that following the absorption of Manchuria by the Russians the absorption of Korea, already begun, would follow, repeatedly sought to influence Russia to retract and to guarantee Japanese nationals equality of opportunity for trade in Manchuria.

Finally, after a long series of futile proposals and counter proposals between Japan and Russia, which began with the dispatching of a telegram to the Japanese Minister at St. Petersburg, Mr. Kurino, on July 28th, 1903, and which terminated with the useless attempts of Baron Rosen to convince the Russian Foreign Office of the gravity of the situation during the latter part of January, 1904, on February 10th, 1904, Japan declared war on Russia. Thus was precipitated a conflict the outcome of which turned the tables of hegemony in Manchuria and placed the Japanese in a position in South Manchuria strikingly similar in many respects to that formerly occupied by the Russians.

31. The London Times, October 22nd, 1902; General Kuropatkin, v. 1. p. 160,

32. General Kuropatkin, v. 1. p. 170.

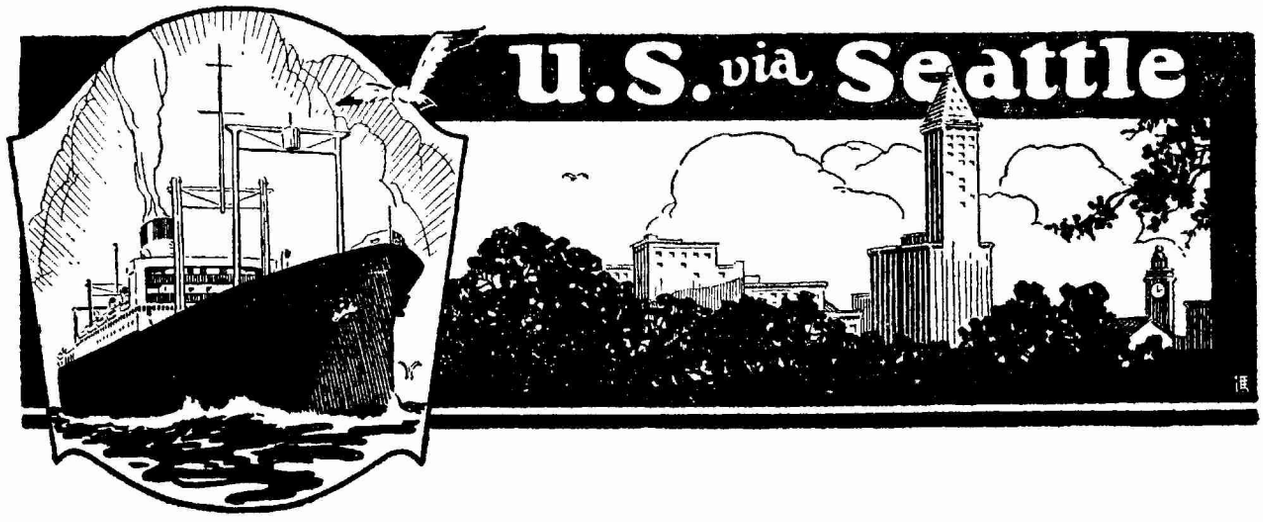
33. Captain Kennedy. The Military Side of Japanese Life (London, 1924) p. 230; Croly, Herbert. Willard Straight. (New York, 1924) p. 148.

34. The Memoirs of Count Witte, p. 119; General Kuropatkin, v. 1. p. 181; v. 2. appendix p. 308; Baron Rosen, v. 1. p. 211. Secretary John Hay wrote in his diary that Bezobrazoff and Alexeieff "seemed to heve complete control of affairs." Thayer, W. R. The Life and Letters of John Hay. 2. vols. (Boston and New York, 1915) p. 2. p. 370.

China 1924 Exports to U. S. Less

The declared exports from China to the United States in 1924 amounted to $129,000,000 against $177,000,000 in 1923. Silk, raw silk and raw wool together made up about one-third of the total. The remaining two-thirds covered a large variety of goods almost entirely raw materials such as hides, nuts, bean cake, wood oil, eggs, cotton and bristles. Manufactured goods were of few kinds and made a small percentage of the whole.

The decline in the total as compared with 1923 was in part caused by smaller shipments of silk due to the high price asked by the Chinese holders. As for the other goods the unsettled conditions in China, which in the last six months of the year caused a serious stoppage of transportation from the interior was a principal cause. It is believed that but for the disorders China's trade with the United States would have been larger than in 1923.



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Sincerity Needed To End Drug Evil, Says Dr. Sze

THAT the opium and drug evil will not improve until and unless there is a radical improvement in international morality was the opinion expressed by Dr. Sao-Ke Alfred Sze, Chinese Minister to the United States, in an address before the White Cross International Anti-Narcotic Society, at a banquet held recently at the Hotel Astor, New York. "We can not expect any great improvement until we place humanity above financial gains and there will be no progress so long as the Great Powers in their respective opium policies have one law for the East and one law for the West," he declared.

The meeeting was presided over by Dr. John Finley, editor of the *New York Times*. Speeches by Dr. Alfred Sze and Stephen G. Porter, head of the American Delegation to the Opium Conference at Geneva, were broadcast during the evening.

"Most of the great nations of the world have appreciated the seriousness of the situation with reference to the illegitimate use of narcotic drugs," said Dr. Sze, and have enacted stringent laws with a view to preventing persons from obtaining supplies of these drugs for other than strictly medicinal and scientific purposes. In the enforcement of these laws, all these nations have, however, been confronted with the matter of smuggling or contraband traffic, which because of the relatively small bulk of the substances dealt with as compared with the prices at which they can be sold, and therefore the ease with which they may be concealed, is extremely difficult to detect and therefore to prevent. The Nations have thus been forced to seek a solution of their problem in the control of the manufacture and sale of drugs and of their exportation and importation, and. if possible, in the limitation of the raw materials—opium, coca leaf, and Indian hemp—from which the drugs are manufactured This means that the problem can be satisfactorily solved only by international cooperation.

"The United States was the first nation to recognise this fact, and, from the time when, at its instance, the Opium Commission sat at Shanghai, in 1909, the United States has taken the lead in this movement for cooperative international action. It must, therefore, have been with especial regret that the American government found itself compelled to instruct its delegation to withdraw from the Conference at Geneva. However, in the Memorandum which accompanied its letter of withdrawal, the American Delegation said:

> "We desire to make it clear that withdrawal from the present Conference does not mean that the United States will cease its efforts, through international cooperation, for the suppression of the illicit traffic in opium and other dangerous drugs. The United States recognises that the world-wide traffic in habit-forming drugs can be suppressed only by international cooperation, but believes that, for the present at least, greater strides in the control of the traffic may be hoped for if it should continue to work towards this end upon the basis of the Hague Convention of 1912."

"The Chinese Delegation also, when withdrawing from the two Conferences, expressed the opinion that a real solution of the narcotic drug problem was to be secured only by international cooperative effort, although, to its great regret, it found it impossible to give its approval to the conclusions of the Geneva Conferences.

"Whatever may be said as to the merits of certain of the agreements reached at Geneva regarding the control of the manufacture of, and the international traffic in, narcotic drugs, it must be recognised that the results of the two Geneva Conferences were highly disappointing as regards the limitation of the production of the raw materials from which these drugs are derived, and as regards the suppression of the legalized use of prepared or smoking opium; and it was because they were thus disappointing, the Chinese Delegation, by way of protest, found itself constrained to withdraw from the First as well as the Second Conference.

"At the best, large international conferences are cumbersome in their operation, and their actions are hedged about by all the technical and formalistic requirements which arise from the sensitiveness of sovereign States. It is, therefore, impossible for them to produce results unless there are present certain factors or forces which operate in their favor.

"The first of these requisites is that the participating Powers shall have a sincere desire to reach the results for the attainment of which the Conferences are convened. It is with profound regret that I find myself compelled to

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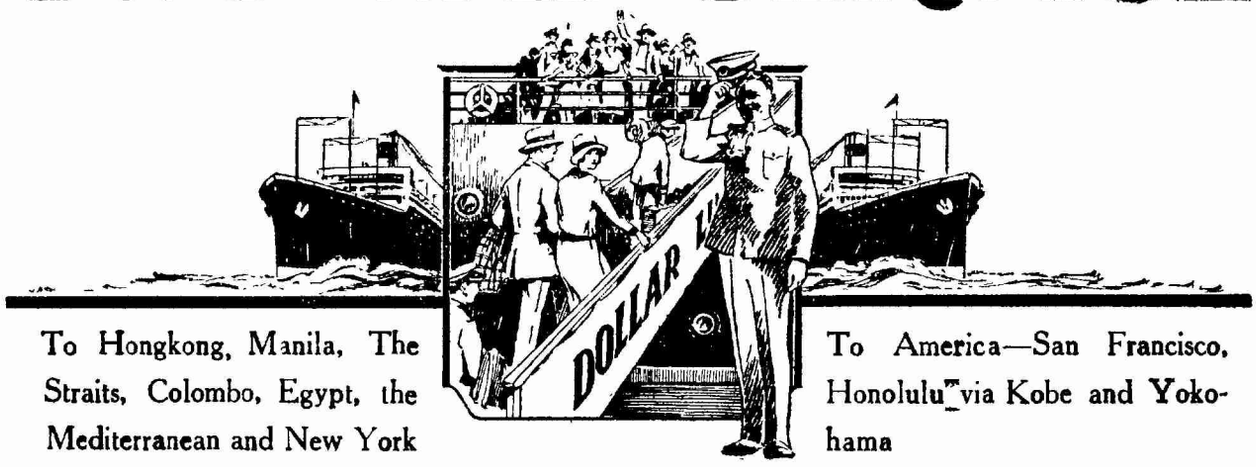

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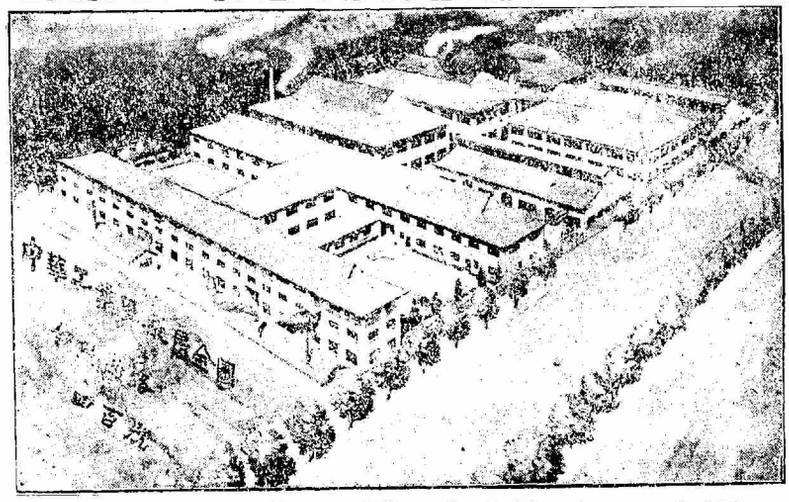

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say that it did not appear in the First Opium Conference at Geneva, that with the exception of Japan, the nations within whose territories of possessions the smoking of opium is still permitted by law, were prepared to make the financial and other sacrifices that were necessary if suppression was to be actually brought about within a reasonable period of time. I know that this is a statement which these nations will be unwilling to accept, and yet, as the Chinese Delegation was able to show in the Memorandum which accompanied its Letter of Withdrawal from the Conferences, materialistic considerations had been advanced by the official authorities of these nations as furnishing a reason why the traffic should be maintained.

"A second prerequisite to success in the work of an international conference is that its discussions and determinations shall be based upon adequate and authentically ascertained facts. In this respect, also, the Geneva Conferences were greatly handicapped. Information of this character was not supplied, and the result was that, instead of intelligent and fruitful discussions, there were only too often, nothing more than unproved assertions and equally unsupported denials, or counter assertions. Thus, to give but two instances: the Powers, except Japan, in the First Conference sought to defend their refusal to agree to adopt measures which would lead to an early suppression of the use of prepared opium, upon the ground that such measures could not be effectively enforced because of the extent to which contraband trade in opium existed. This was, indeed, practically their sole argument upon this point; and yet, important as the matter was, for the facts to sustain them in this position they presented nothing more than a few unanalyzed figures of the seizures of contraband opium that had been made. No attempt was made to show, in all cases, the amounts of opium thus seized, the countries of its origin, the nationality of the ships and shippers involved, and the names of the consignees,—all of which facts it was indispensable to know if a clear picture of the opium situation in the Far East was to be had. But, most surprising of all, none of the Powers made a detailed statement as to the measures it had taken to prevent the illicit trade in opium and thus to show that it had done all that it had been practicable for it to do in order to overcome the obstacle which, it was claimed, was making it impossible to carry out the engagement entered into in 1912.

"In the Second Conference, with regard to the matter of the limitation of the production of raw opium or coca leaf, the only really satisfactory memorandum supplied to the Conference was that of the Persian Government. In both Conferences questions of the most pertinent character were asked of the various Delegations which, in some cases, were wholly ignored, and, in other cases, answered in a perfunctory or unsatisfactory manner.

"There were other features of the Geneva Conferences which militated against their success, such as the making of charges or criticisms which had, as could have been expected to have, no other result than to arouse ill-feeling upon the part of those charged or criticised; the documents prepared for use by the Conferences, their Agenda for example, were not always prepared with sufficient care; nor did the sub-committees that were appointed always keep within their terms of reference. But, most unfortunate of all, was the decision to hold two conferences instead of one,—an error the effects of which were increased by a failure to make absolutely definite the relation which the first Conference was to bear to the Second Conference.

"All these, and other circumstances which it is not necessary to mention, tended to make more difficult an already difficult task; but, after all, the most important of the circumstances that prevented substantial success being obtained at Geneva was the fact that, to put it baldly, the Powers most concerned had not reached that stage of what may be called true internationality which induces them to make a sacrifice of their own national interests—or of what they conceived to be such—in order that the general welfare of humanity may be advanced."

"For the successful solution of this opium and drug problem, as in other problems of a similar nature, wholehearted international cooperation is essential" continued the speaker. "This international cooperation is at the present moment, unfortunately, not in evidence as it was shown in the Ceneva Conferences—those Powers which derive a large profit from the continuation of their present opium policies have not signified their willingness to put a stop to the pernicious traffic within a reasonable period of time so that its end will be clearly foreseen. So far as China is concerned, may I be permitted to read to you what I have said in my Letter of Withdrawal from the Second Conference:

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"It is the sincere hope of China that, in the near future, the policies of these Governments will have so altered that they can see their way to the common adoption of measures that will lead to the early and total suppression of that legalized traffic which is now bringing such misery and moral degradation to the hundreds of thousands of the citizens of China living within their respective territories and possessions. When that time comes, the Government and the people of China will be glad to cooperate to the extent of their ability.

"The present conditions in China which, unfortunately, have made it impossible for the Government of China to obtain effective enforcement of its policy of prohibiting the production of opium and its use for other than medicinal and scientific purposes are temporary in character. The Government of China gives the assurance that it will not depart from this policy with regard to opium, and that it will, at all times, exert all the executive and administrative power possessed by it to enforce that policy. This the Government of China now does and will continue to do, independently, and without regard to the action of other Powers. It is the hope of the Government and the people of China that, reciprocally with their independent effort to suppress the production and control the use of opium within the borders of China, the other Powers will upon their part make every effort to prevent illegal traffic in opium and narcotic drugs, and progressively to suppress the legalized use of prepared opium."

"I may add that in the Memorandum accompanying the Letter of Withdrawal from the First Conference, there is also a statement similar to the one I have just quoted.

"China's problem is complicated by the fact that a very large number of Chinese living in the Far Eastern possessions of the European Powers, numbering several millions, acquire the habit of opium smoking after their residence in those possessions where the smoking of opium is permitted by law. From the official report of the Malay States, it is found that among some class of the Chinese, there, as high as eightyfive per cent of the opium smokers acquire their habit after their arrival. These laborers return to China with the habit acquired abroad, making the situation in China all the more difficult.

"So far as the recrudescence of poppy cultivation in China is concerned, it becomes an international problem only when and to the extent that opium gets outside of China. China herself suffers immensely not only from the large amounts of foreign drugs but also from the large amounts of foreign opium smuggled into China.

"Towards the end of the Second Conference, press reports began to dribble into Europe with reference to the Ezra Case in Shanghai. Ezra used to claim that he was a British subject but when proceedings were taken against him, he said that he had renounced the British citizenship and become a Spanish subject. In this case, the amount of opium involved is reported to be worth $1,250,000.00. It was a consignment of opium from Constantinople, ostensibly for Vladivostok but which had been diverted and had found its way into China.

"You will be perhaps interested in the following extracts which are taken from the League of Nations document O. C. 253, being a letter addressed to the League by the Netherlands Legation at Berne. I will just quote two paragraphs:

> "Consignments of opium reports in 1923 by several ships in Sabang as intended for Vladivostok, never arrived at the latter port, not even the consignments for which the authorities of that town had issued import licenses. The whole of this opium was probably unloaded at various places along the southern coast of China, being presumably landed by armed launches, old steamboats, or Chinese junks.
>
> "The information strengthens the belief that raw opium intended for some port in Eastern Asia is,in most cases, probably sold along the coast of China before reaching the indicated place of consignment.

"The above quotation is illuminating. If Chinese opium, as contended by those Powers which refuse to take measures with a view to putting an end to the practice of opium smoking, has flooded the Far East, how can Persian, Turkish, and other opium whose morphia contents are higher than Chinese opium and higher in price, find a profitable sale in a market where, as alleged by these Powers, there is so much opium that its surplus is flooding the neighboring territories?

"In conclusion, let me say this: However disappointing may be the substantive results achieved at Geneva, the holding of the Conference has certainly had a profoundly educative effect upon public opinion. These meetings have advertised to the world the nature and extent of the evils resulting from the misuse of narcotic drugs, and have disclosed the difficulties which lie in the way of an effective prevention of this illegitimate use. The path is thus prepared for another conference, which, it is my hope, will be convened in the near future, and which, operating under more auspicious conditions, may be expected to lead to more satisfactory results. When, by sincere international cooperation, the peoples of the world have been released from the drug evils which now affect them, the White Cross International Anti-Narcotic Society will have the satisfaction of knowing that, through its work in educating public opinion, it has contributed materially to that achievement."

World Prices Are Higher

The advance in prices is world wide. We of the United States, says the Trade Record of The National City Bank of New York, have special facilities for measuring prices in foreign countries of the great articles forming international trade, and from a close study of the latest data on the subject it appears that prices in foreign countries of a large share of the important articles which we are importing, were higher in the latest month for which figures are available, April 1925, than the average for the full calendar year 1924.

The process by which the price abroad is determined, says the Trade Record, is with us a comparatively simple one. Our laws and regulations require the statement of the value of each article to be the export value in the country from which it is sent, plus any export tax imposed by the country from which it is consigned. So it appears that when we compare the official figures of the value per unit of quantity of the respective articles imported, we have a definite statement of the market price of the article on leaving the country from which it is sent to us. While this comparison connot show actual advances in the price of the article in any single country since the various articles imported, such as Wool, Hides, Silk and Cotton, originate in several different countries, it is quite apparent from a comparison of the average price of each of these groups that the advance is world wide.

Out of 78 imported articles of which the Department of Commerce states the import price in April 1925, 56 articles, or over two-thirds of the entire number, show higher prices per unit of quantity in the country from which they are sent to us than the average of the calendar year 1924. Most of these advances occur in manufactured materials and also in certain classes of foodstuffs.

Take Cotton as an example, which we draw chiefly from Egypt, India and China, also from certain European countries which have imported it and again forwarded it to us, the average import prices of raw cotton entering the United States in April 1925 was 35.5c. per pound against an average of 30.5c. per pound in the calendar year 1924. Combing Wool, drawn chiefly from Australia, Argentina and Uruguay, averaged 61.2c. per pound in the imports of April 1925 against an average of 46.6c. per pound in the calendar year 1924. Raw Silk, brought chiefly from Japan, China and Italy, averaged $6.86 per pound in April of the current year against an average of $6.39 in 1924. Manila Hemp, coming chiefly from the Philippines, averaged $325.70 per ton in April of this year against an average of $175.54 in 1924. Jute and Jute Butts coming chiefly from India, averaged $178.50 per ton in April 1925 against an average of $144.02 in 1924, and Sisal, brought chiefly from Mexico averaged $201.70 per ton in April 1925 against an average of $1 '2.98 in 1924. Cattle Hides, coming from all parts of the world but especially from Argentine and Canada, averaged 18c. per in pound in April of this year against 13c. in 1924, while all other classes of Hides showed increases when compared with 1924. Crude Rubber imports in April 1925 averaged 34.2c. per pound against an average of 23.7c. per pound in 1924.

Turning from the manufactured materials to Foodstuffs the advance is equally apparent in many of the articles for which we are dependent on other countries. Coffee, drawn chiefly from Brazil, averaged 24.2c. per pound in April of the current year against an average of 17.6c. per pound in 1924; Tea, chiefly from Japan, China and India, averaged 38.4c. this year against 29.3c. in 1924, and Olives, chiefly from Spain and Italy 84.2c. per gallon against an average of 62.9 in 1924. Bananas averaged 55.5c. per bunch in April of this year against 46.6c. per bunch in 1924, though in most of the other fruits, notably those coming from the Mediterranean countries and especially Asia Minor, the prices of 1925 are lower than those of the preceding year.

(*Continued On Page 198*)

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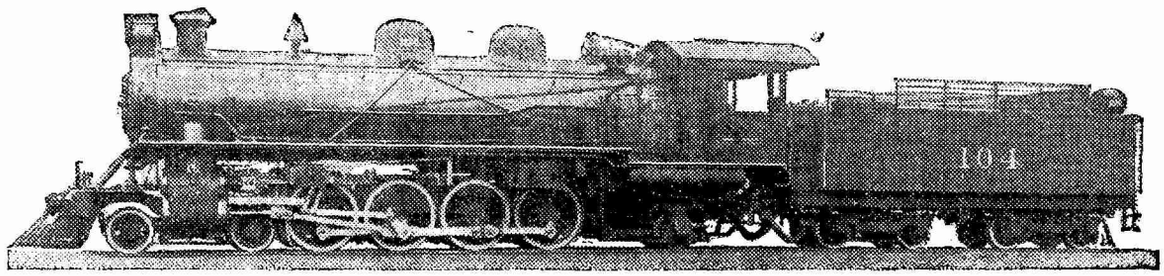

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It will be seen from the above that there have been marked advances in the prices of nearly all of the staple articles of most of the great countries of the world; Silk and Tea in Japan, Cotton in Egypt, Silk, Tea, Cotton and Hides in China, Jute and Cotton in India, Wool in Australia, Argentine and the Union of South Africa, Copper in Japan, Australia and Western South America, Tin in the Malayan Peninsula and the Dutch East Indies, Rubber in Brazil and the Orient, Coffee in Brazil and South America and Fibers in India, the Philippines and Mexico, evidencing the fact that higher prices are being realized the world over by the producers of the great staples required in the manufacuring industries and food requirements of all parts of the world.

Men and Events

Fifty persons are reported to have fainted during the rush to welcome the American warships at Melbourne. Real southern hospitality.

Mr. Ariel Varges, special representative of the International Newsreel Corporation of New York and Paris, arrived in Shanghai a few days ago. Mr. Varges filmed the Shantung bandit affair in 1923.

Mrs. Leonard Wood accompanied by Miss Louise Wood arrived in Shanghai last Thursday from Peking and departed for Manila after a few days visit, the guests of Consul-General and Mrs. Cunningham.

Miss Catherine Sherman, daughter of Rev. and Mrs. A.M Sherman, and Miss Charlotte Litell, daughter of Rev. and Mrs. S. H. Litell, left Shanghai this week for the United States where they will enter college this fall.

Mrs. L. R. Schinazi, wife of Mr. Schinazi of the China Import and Export Lumber Company, returned to Shanghai on the *President Jacskon* last Friday after a six months visit in the United States, which was spent principally on the Pacific Coast.

Professor and Mrs. C. L. Boynton of the Shanghai American School have returned to Shanghai from a month's vacation which they spent at Unzen, Japan. Mr. and Mrs. J. M. Howles of the American School faculty, have departed for their home in the United States on leave.

Among the arrivals on the *President Jackson* were Mr. Rodger Culver Tredwell who is enroute to Hongkong to take his post as American Consul-General there, and Mr. W. I. Hagen who left Shanghai last Friday night for Peking where he will be connected with United States legation.

Dr. Stanley K. Hornbeck, lecturer on the Far East at Harvard University and an authority on political science and international law, arrived in Shanghai last Saturday, later going to Peking where he will spend four or five weeks studying and observing the Far Eastern situation. Dr. Hornbeck visits the Orient at least once in every four years.

Shanghai lost one of its most popular figures in sporting circles this week when Carl Tavares departed for America to carry on his studies at the University of Notre Dame. Carl is nineteen years old, and has already distinguished himself in many sports here, particularly in baseball, basketball and tennis. He is deservedly popular among other athletes here, and carries with him their best wishes for success in the States.

Chinese students going to America for further study this year include some eighty private students and seventy students from the graduating class of Tsinghua College, Peking. They sail August 17 on the *President Jackson*. The Tsinghua students are supported by part of the returned boxer indemnity fund from America. Most of the students go for undergraduate work in American universities. The private students pay their own expenses, and are largely graduates in China going for postgraduate study in the United States.

Mabel Garrison, American coloratura soprano, paid her respects to the foreign population of China's treaty ports in an interview which recently appeared in the San Francisco *Chronicle*. "I'm through. No more China for me," she declared after expressing her opinion of the musical appreciation of the foreign population in Tientsin which purchased exactly twenty-four tickets for one of her concerts and at another one there was no one present except the theater staff and a couple of newspaper reporters who came in on passes." On this, a China editor comments:

"What Miss Garrison had to realize was that the foreign population in China either does not want high-class theatrical

and concert attractions or cannot appreciate them. Julian Eltinge found this out to his sorrow. So did many good troupes, including the Carpi Italian Opera Company, which breathed its last as an organization in Peking. Considering the caliber of the foreign population in some of the treaty ports in China its attitude toward the theater is not remarkable. They're strong for negro jazz music and anything risque; they'd rather walk five miles out to the race course and bet the last dollar they could borrow on an unknown pony than take a front seat to hear a resurrected Caruso. They crave excitement, for living out here makes them high-strung. Miss Garrison played to good houses in Japan and her reception there encouraged her to come to China. Her reception here encouraged her to go home."

News from Central China

Miss Helen Pankhurst who arrived here on Monday for a brief visit to this center, is now giving a series of lectures on the Dalton System of education in the Summer Lecture School of the Wuchang Chung Hua College and other institutions.

A number of local Ningpo merchants are planning to start a new steam navigation company in Hankow with six vessels running between the up and down river ports. According to a report, the company will be known as the Han-Siang-I Steam Navigation Company and will have a capital of $500,000. The company is being formed to take advantage of the shipping boycott.

Owing to an outbreak of fire in the Honan Government Mint the machinery has been considerably damaged. The Honan provincial authorities have purchased a quantity of coppers from the Wuchang Mint, by permission of the Tupan Hsiao Yao-nan, and transported them to Honan.

In view of the great demand for ice during the hot summer, Mr. Lim, manager of Goon Cheong Engineering Works is now organizing a company, backed up by a few wealthy Cantonese, to put up another modern ice plant in Hankow with a capacity of 20 tons daily output. The capital is said to be of $150,000 already fully subscribed.

The N. K. K. are arranging to send a ship to Hankow with a Japanese crew about the 25th of this month. The ship will carry a through cargo from Japan. There is now plenty of activity at their wharf, due to the fact that most of the cargo stored in their godowns belongs to Chinese consignees. However, all their steamers are still tied up by the boycott.

The Hupeh governor proposed in a telegram to the Ministry of Finance and the Ministry of Education to incorporate the Wuchang Higher Normal College into the Wuchang University and asks for an increase of funds for the support of that institution. The Minister of Education has referred the matter to the Cabinet for consideration.

The British and the Japanese Consuls at Changsha recently called on General Chao Heng-ti, civil governor of Hunan, personally protesting against the inspection and seizure of parcels sent to British and Japanese residents through the Chinese postoffice by members of the Changsha National Disgrace Redressing Association. Seizure of British and Japanese cargoes by students in all parts of Hunan is also protested against. Governor Chao promised to issue notices prohibiting the boycott.

General Lu Hsiang of Chungking is said to have continually insisted on shifting the Chungking incident to the capital, following the example of the Shanghai incident, for according to General Lu the dismissal of the British Consul General at Chungking as demanded by Szechuen people, could hardly be negotiated locally or at any other place than the capital where the British Minister is.

With a view to improving the water supply and the general sanitation systems in the city, the Bureau of Police Affairs at Wuchang, is reported to be contemplating the digging of ten big wells in various sections of the town. It is understood that as soon as the scheme receives the sanction of the local authorities, official surveyors and engineers will be engaged to undertake the enterprise.

During the past two days, 897 more famine refugees are reported to have arrived in Hankow from Honan on the Peking-Hankow trains. Of the total number, 385 sufferers have come from Chenliuhsen, 280 from Tunghsuhsien, 125 from Hsihuahsien and 107 from Fukuohsien. These four districts in Honan are reported to be in a most deplorable condition.

The boycott of British and Japanese shipping and general business in Chungking is still effective although the

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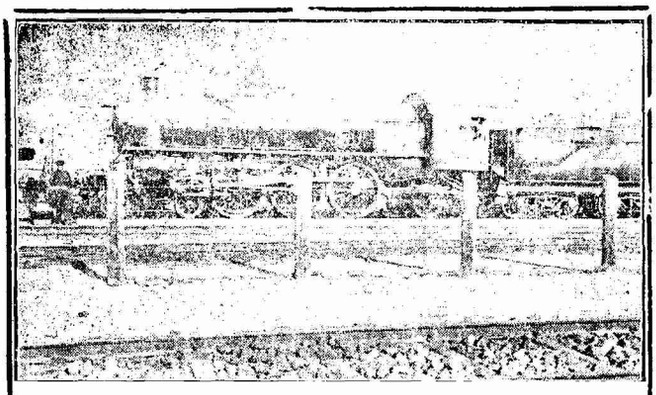

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TO PUGET SOUND - ELECTRIFIED

33-218

agitators who two weeks ago were threatening the safety of foreigners have now disappeared from the scene, being held in check by General Wong, the city Defense Commissioner Shipping is still tied up and there seems no immediate prospect of its being resumed. House servants have returned to work but the office staffs of British and Japanese firms can not be induced to do so.

The military situation in Chungking is becoming threatening within the past week. Yang Sen's forces are now within 120 li of the city. General Yuen Tsu ming is having a bridge of boats constructed across the small river and it is hoped by all the foreigners and most of the Chinese that he will be obliged to utilize the bridge very soon as a means of egress.

With reference to the recent military conference in Wuchang, one important result was to decide to cancel Opium Lamp Taxes in the various districts. But as the means of supporting some of the troops is derived from this tax it is difficult to put the resolution into practice. However, it is said that the tax is abolished only in name, and will be collected on a larger scheme in future under a different title of tax.

The Hupeh Tupan, Hsiao Yao-nan, has despatched a telegram to the Peking Chief Executive, requesting him to restore to liberty ex-President Marshal Tsao Kun.

A circular telegram has been issued by the Hupeh Provincial Educational Association which takes up the question of the refusal of the students of Wesley College, Wuchang, to return to the school after the expiration of the summer vacation and which bitterly condemns Christian education in China. The students, in denouncing publicly all the mission institutions, attribute their present national weakness and backwardness to the spreading of the Christian influence in China and declare that to crush modern imperialism, it is imperative for all Chinese students to refrain from attending mission schools, colleges or universities.

The Wuhan Students Union has drawn up a set of regulations themselves. These are (1) The boycott will be against both the British and the Japanese: (2) Special attention will be paid to the inspections of cargoes: (3) Lecturing will be continued so as to keep the public informed: (4) A keen supervision will be kept on the boycott so as to prevent gaining a bad reputation: (5) Only proper methods to be adopted: (6) Special attention will be paid to the Hankow side.

Marshal Hsiao Yao-nan finally joined Marshal Feng Yu-hsiang in crying for war by sending the following telegram to Feng:

"China has been for may years enslaved by unequal treaties. The government respecting the will of the people is now taking steps to have the Powers revise them. You, safeguarding the sovereignty of the country, have uttered words of great dignity and are following the principles of righteousness, demilitary force and to sacrifice lives for the sake of liberty. You are so firm in your revolution that nothing on earth can prevent you from fighting for justice. I (yao-nan) am willing to do my share to defend the rights of the country and am always ready to be of service to you. Your constant advice will be greatly appreciated."

At the urgent request of Admiral Tang Hsiang-ming, and Generals Tang Chun-peng, Shih Sing-chuan and Su Wu, a meeting was held in the Chamber of Commerce last Tuesday to discuss the parade. Altogether there were about

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90 persons present, the Admiral being elected to the chair. He announced that the reason for the meeting was that the Hankow case had not yet been settled as the Chinese had not obtained a victory. Their association had been organised to oppose the enemy and had already arrived at the decision that a monster demonstration should be held on land and water. The meeting unanimously agreed to hold the demonstrations. The following arragements were announced by the chair:-(1) Extent of the water demonstration: To proceed from Kinkow to Chingshan on the Yangtse River and from Hanyang to Tsaitien on the Han River. The land demonstration: First to be held in Wuchang and then to cross over to Hankow, launches to be arranged to bring the demonstrators over here and back. (2) Number of boats in water demonstration: Representatives to be sent to the different steam launch companies, and lightermen's associations requesting them to send boats to join the demonstration. It is estimated that about 5,000 craft will take part and 100,000 pamphlets will be printed.

For the purpose of supporting Feng Yu-hsiang against Fengtien, there has come into existence a Nine Province Alliance, the provices consisting of Hupeh, Hunan, Szechuen, Kweichow, Kiangsi, Honan, Shensi, Kansu and Anhui. Further it is stated that the Shansi Tupan, Yen Shih-shan, also wants to join the combine and intends to go to Chikungshan for the conference. Eight regulations have been set down for the new alliance. These are stated to be (1) The nine provinces will combine together for the maintenance of peace throughout China and all must observe this order. (2) Any other provinces who wish to join the alliance can do so if consent has been gained at the meeting of the delegates, if this has been obtained they have to abide by the regulations, (3) The Allied provinces are to have the same aim and must combine together against the enemy, (4) It is recommended that the Chief Executive Marshal Tuan Chi-jui unite the country together, (5) If any provinces refuse to obey the Chief Executive the nine provinces are to attack them, (6) Any important questions are to be decided at the meeting of officers at Wuchang of which Tupan Hsiao will be chief chairman, (7) The head office of the alliance will be established in Wuchang or Hankow and will be supervised by the local authority, (8) These regulations shall be signed by all the delegates from the allied provinces and will thereupon come into force.

Hankow August 1, 1925

News from West China

It is now quite apparent that wherever General Yang Sen has had sufficient authority the student agitation has been kept within bounds. The one incident in Chengtu was much milder than at first reported, but it was sufficient to enable Yang Sen to warn the agitators in no uncertain terms that any excesses would be punished severely. Here in Suifu there was one day of "boycott." The shops were closed, and a parade was held. Nothing further was attempted and the next day things were normal.

A band of robbers has been operating on the hills opposite the city. They have now been taken into the army as that seems to be the only way to deal with them. Mr. Liversidge, his wife and baby boy, and Miss Larsen, all of the China Inland Mission, were at their bungalow on the hills when a band of ten robbers visited them at about 4 o'clock in the morning. Mr. Liversidge and the servants, and Miss Larsen were bound, but the robbers were satisfied after they found about $40. in cash and $100. worth of loot. This incident was not connected with the student's agitation. They would have suffered at the hands of such men at any time. The experience was trying and the missionaries have returned to the city until the robbers are cleared out.

Too parties, one going down river, and the other going up river, are held up here as it is impossible to move in either direction. This is the fifth day without a steamer, from Chungking. The situation is not due to the strike as there are other steamers than the British running. We learn that General Yang Sen has at last made the move to capture Chungking and has doubtless made the river unsafe below Luchow. If reports are correct the troops under Yang Sen were victorious in the first clash on the Great East Road in the neighborhood of Yunchwan. From this point we cannot follow them step by step. It is expected that the city will be taken by Yang Sen's men before this is printed. Yang Sen himself is still in Chengtu from which place he directs the operations.

His attention has been turned in another direction for a few days, When General Cheng Hung-fan, of the old Eighth Division, was driven out of Kiating in May he returned west from here toward the Yunnanese border. As every-

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33-220

thing was clear to the north and west the troops continued down river to Luchow. But General Cheng was a real menace. He has now sent men through the mountains via Pinshan back to Chienwei which is on the river between here and Kiating. His objective was probably the Salt Wells at Wutungkiao, where he might get a little revenue while Yang Sen was looking elsewhere. Troops have gone from here, and from Chengtu, to attack them and they will probably be driven out soon, but at present the river above here is not safe.

In Chungking the situation has been uncertain during the last two weeks. General Wang Fang-chow has done his best, but the "generals" defeated by Yang Sen have been encouraging the students. We now learn that the merchants realize the seriousness of the situation and they have undertaken to keep the students under control. When the 'fathers' of China realize what a disgrace their sons have been we can trust their commonsense to keep them in control. This is a hopeful sign.

Many statements concerning the Chinese position have appeared among us in both Chinese and English. As one reads these it is easy to see that only part of the story is being told, and that a much biassed part. It is to be hoped that a sane, careful, and unbiassed statement of the whole case in both Chinese and English will be widely scattered during the next few weeks. For example, we read that the boy "murdered" at the Japanese factory was tortured and abused in a dreadful manner. Nothing is told about why he was "murdered." In the explanation of the "riots" no allowance is made for authority. It is simply stated that English killed Chinese. Are we to have proper official explanations?

It is further contended that the students have shown no Bolshevik tendencies. Will they kindly explain such placards, found in both Chungking and other cities as

Down with the British and Japanese Monarchies!

Down with Monarchism! (Imperialism)

and also why the farmers at the bungalow sites in Chungking were told that the trees on the bungalow property were theirs, and that they had a perfect right to cut them down? When the British Consul ordered all British subjects to leave the bungalows the farmers immediately looted. Why? Because they had been told that the things belonged to them. That, of course, is "Liberty, Equality and Fraternity."

On the whole the Chinese are suffering more than the foreigners because of this agitation. Think of some poor coolie with a good "job" with a foreigner. His daily work means his "rice." A crowd of idle students, who are fed in their schools out of public funds, comes around and tells the coolie he must quit work. He is told that they will feed him! They may give him a meal for a day or two, but it is not to be expected that it will last long. The coolie is the one who suffers. In the meantime the foreigner does the work himself, or herself, which is very good for them. It is to be regretted that they had to leave their comfortable homes on the hills in mid-summer (there were the usual sick and invalid among them) and go down to Ichang, but even such experiences may result in a better adjustment of the difficulties.

Dr. Aug. Zellweger, a Swiss Chemist, recently of the Baptist College, Shanghai, is enroute Chengtu to investigate some of the resources of Szechwan.

Dr. and Mrs. J. C. Humphreys of the Baptist West China Mission are enroute to America on furlough.

Vistors to the summer resorts at Omei, Peh Lu Ting and Kwanhsien are in evidence as usual this year and have met with no unpleasantness, as far as we have information.

J. R. M.

Suifu, Sze. China. July 16, 1925.

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Status of Debts Owed by Foreign Nations to United States Because of War Loans

The following figures, appearing in the New York *Times*, were issued by the United States Treasury Department. They show the principal amount of obligations of foreign Governments held by the Treasury, the interest accrued and unpaid up to and including the last interest period prior to May 16, 1925, and the payments heretofore made on account of principal and interest.

Country	*Principal Amount of Obligations Now Held.*	*Total Indebtedness (with Accrued Interest)*	*Payments on Account of Principal.*	*Payments on Account of Interest.*
Armenia	$11,959,917.49	14,959,479.94	$.....	$.....
Austria	24,055,708.92	30,550,750.35	.....	.....
Belgium	377,029,570.06	480,503,983.62	2,057,630.37	18,526,408.21
Cuba	.....	.....	10,000,000.00	2,286,751.58
Czecho-Slovakia	91,879,671.03	117,679,095.70	.....	304,178.09
Esthonia	13,999,145.60	17,794,020.28	.....	.....
Finland	8,910,000.00	8,910,000.00	90,000.00	847,965.27
France	3,340,516,043.72	4,210,556,948.27	64,302,901.28	221,486,302.82
Great Britain	4,554,000,000.00	4,554,000,000.00	248,181,641.56	633,206,657.11
Greece	15,000,000.00	17,625,000.00	.....	1,156,153.34
Hungary	1,958,412.50	1,958,412.50	9,672.50	30,056.18
Italy	1,647,869,197.96	2,138,543,852.77	164,852.94	57,598,852.62
Latvia	5,132,287.14	6,352,139.45	.....	126,266.19
Liberia	26,000.00	32,768.85	.....	861.10
Lithuania	6,030,000.00	6,030,000.00	.....	91,996.97
Nicaragua	110,590.28	110,590.28	40,513.86	6,180.68
Poland	178,560,000.00	178,560,000.00	.....	2,048,224.29
Roumania	36,128,494.94	46,508,661.17	1,794,180.48	263,313.74
Russia	192,601,297.37	255,147,692.24	.....	7,911,594.39
Jugo-Slavia	51,037,886.39	65,414,997.98	720,600.16	636,059.14
Total	$10,556,804,223.40	$12,151,238,393.39	$327,361,993.16	$946,430,821.72
FUNDED OBLIGATIONS HELD INCLUDED ABOVE				
Finland	$8,910,000.00	$8,910,000.00	$90,000.00	$538,650.00
Great Britain	4,554,000,000.00	4,554,000,000.00	46,000,000.00	275,310,000.00
Hungary	1,958,412.50	1,958,412.50	9,672.50	29,303.14
Lithuania*	6,030,000.00	6,030,000.00	.....	90,450.00
Poland*	178,560,000.00	178,560,000.00	.....	.....
Total	$4,749,458,412.50	$4,749,458,412.50	$46,099,672.50	$275,968,403.14

*Funding agreements approved by Congress but bonds have not been exchanged.

The Week in the Far East

The strike situation in Shanghai still continues to be the most important event in China, but it seems to be gradually running its course by the mere passage of time. The natural inclination of the Chinese to follow the beaten track has been well illustrated by the strike. Let some untoward event, such as the May 30th shooting, upset the even tenor of their ways, and a regular wave of discontent moves them all with nearly one accord. But the Chinese state of mind in its normal condition is one of placidity. Already after a few days much of the virulence of the movement had passed, and to-day what little there is left of it is being diligently, although largely unsuccessfully, fanned by the more persistent and energetic of the agitators, whose energy is comparable to that of a man dying in despair.

The attitude of the present government at Hongkong, which, of course, is British, has had a great deal to do in determining for foreigners what attitude they should take as regards the strikers. Several years ago when the strike at Hongkong occurred, a strike that was called under somewhat similar circumstances and carried on with the intention of rebuking the constituted authorities, the then Governor made the mistake of trying to keep the Chinese in the Colony by force, which, naturally, gave the Chinese an additional appeal for sympathy from the world outside, and in the end the Government capitulated, one of the terms of settlement being that employers had to pay the strikers their wages during the time they were absent from duty.

Hongkong's Experience

The present Governor of Hongkong tackled the dilemma by taking hold in quite a different manner. He took the attitude that the Chinese who lived in Hongkong permanently looked upon their occupation as a privilege. From the very start he issued orders that every unemployed Chinese would be deported from the Colony. A law was passed reintroducing flogging; the more passing of the law had its effect, not a single resort to its use being required. Agitators caught in the act of making inflammatory speeches were humbled by being publicly made to engage in the most menial sanitary duties, always with the threat behind them that if they demurred against this they could have the switch to their backs instead.

With this example before them, the foreign employers generally in Shanghai have got their employees back without loss of self respect. In the great majority of cases the men came back to their old positions without any loss of priority in promotion opportunities or loss of credit toward pension or superannuation benefits, but for the time they were absent they were not paid. The employees of the Shanghai Electricity Department, some three thousand in number are still on strike and when they had the temerity to suggest that they would come back provided they were paid for the time they have been absent the Municipality paid no attention to their letter and continues, just as it has been doing, ever since June 1, keeping the Riverside station in operation by using the services of the foreign executive staff and a hundred odd Russians. The Chinese mill owners whose power has been shut off are in the meantime urging the workers to resume their duties so that they can again secure power to start operations.

On the other hand, the shipping strike continues almost as effective as before, the principal sufferers being the British. The China coast and river services are in the hands of the British, the Japanese and the Chinese. The last-named services are, of course, running, as usual. The Japanese are able to replace Chinese labor with Japanese labor in many instances, but the British have only been able to send out a few vessels with the precarious help of untrained Russians with here and there a sprinkling of loyal Chinese.

Delayed Judicial Inquiry

Although the "flare-up" started more than two months ago, and despite all the discussions in America, England, France and other countries, the net result of any attempt to have any sort of official or judicial enquiry into the May 30th shooting so far has been *nothing*. As one correspondent writes from Peking: "The report of the Legation Commissioners who went down to Shanghai to investigate the Nanking Road affair seems likely to pass into history as one of those mysterious documents which only Bolshevik revolutions and such like political convulsions can unearth out of the depths of our chancelleries."

In the end there will probably be a so-called judicial investigation, but the present indications are that if it ever eventuates it will be so far in the future that it will have had no practical value whatever in bringing about more friendly relations between the Chinese and foreigners generally, with the British and Japanese particularly.

One of the sardonic effects of the strike at Shanghai, and the incidental boycott which is supposed to be aimed at the Japanese, as well as the British, has been that the Japanese cotton mills in Japan have very largely increased their sales to China, particularly to Tientsin and other northern ports. Boycotts are all very well in their way, the average hard-headed Chinese business man will say, but when it comes to cutting off noses to spite the face, the northern merchants are not ready to follow suit, so when the Shanghai cotton mills were unable to supply their usual quota of yarn and cloth, the northern merchants calmly turned to Japan, and despite the boycott, bought their requirements there.

As regards the broad question of American policy in China, opinion among Americans resident in China divides itself roughly into whether the resident happens to be a merchant or engaged in some sort of missionary or educational work. The former are opposed to any move towards a change in the *status quo;* the latter are either non-committal or evince no particular objection to a policy of gradually handing back to the Chinese all the rights and privileges which have been "usurped" by foreigners during the last half century or so.

Among the incidents that give the average American merchant the "shivers" when he contemplates what life will be like for the foreigner in China if extraterritoriality should by some chance be prematurely abolished, is the Ostroumoff affair. Ostroumoff, being a Russian, is without extraterritorial rights. A year or two ago he was a highly placed official in the Chinese Eastern Railway. Incidental to changes that were being made in the personnel of the railway he found himself indicted for various offences by the Chinese government and was held in prison for well on to a year without a trial. The "trial" commenced several months ago. It still drags on.

Banditry is rife in the country, the current reminder being that Dr. Howard, connected with the Rockefeller Foundation, a companion of Morgan Palmer, Major U. S. A., who was murdered several weeks ago, is being held by bandits in Manchuria for ransom. His exact wherabouts, if he is still alive, are unknown. Mr. Sokobin, U. S. Consul, returned to Harbin from his journey to the region in question, after a fruitless tour of investigation.

In the broad field of Chinese politics nothing very stirring has occurred during the past week or two. The former President of China, Tsao Kun, is still held in prison by the present Anfu Government on the estenisble ground that he purchased his post by bribing members of parliament. So far, however, his accusers have not followed up their accusations by any attempt to bring him to trial. In the meantime he is suffering from diabetes and his enemies hope that he may succumb while in prison. His brother, Tsao Jui, is generally understood to have been poisoned and his treasurer, Li Yen-ching, was killed. More or less insistent efforts are being made by Tsao's friends to secure his release, and if a civil war should break out again in this country, of which there are certain indications, one of the issues will be his freedom.

Business Opportunities

The following inquiries have been received at the American Consulate-General, Shanghai, from American business houses desiring to be placed in communication with local firms for the purposes indicated. Upon application, that office will gladly furnish such particulars as are on file concerning the business opportunities mentioned. Please refer to the item number when making inquiry. Personal inquiries should be made at the Commercial Department of the Consulate-General.

No. 54. *Air Compressors For Garage Free Air Service.* A Chicago manufacturer desires to form a connection with a distributor who will handle the sale of his products in Shanghai. Catalogue on file in the Commercial Office of the American Consulate-General. (File No. 866.16).

No. 63, *Box-Making Machinery.* A Chicago manufacturer wishes to export to China (File No. 868.32).

No. 68. *Old Newspapers.* A New York firm would like to act as buying agent on a commission basis. (File No. 868.32).

No. 73. *Hay, Grains and Feed.* A dealer in the state of Washington desires to enter the China market. (File No. 861.31).

No. 74. *Paper.* A New York firm desires an active representative in Shanghai. (File No. 868.3).

No. 75. *Petroleum, Gasoline, et Cetera.* A firm in Los Angeles desires to export to China. (File No. 863.6).

No. 76. *Hand Vacuum Sweepers.* A firm in Pennsylvania desires to be represented in Shanghai. (File No. 866.12).

No. 77. *Sleeve Formers.* A Chicago manufacturer desires Shanghai connections for the sale of his sleeve former, which is used in the dry clearning, dyeing and laundry industries. (File No. 866.12).

New Books and Publications

The Government of France

By Joseph Barthelmey, New York: Brentano's

France is said to be one of the best goverened states in the world. There is no doubt that France has been the political prophet of Europe. Most of the advanced political theories current to-day have been brought to a high degree of perfection in France.

This little book gives a comprehensive account of the system of political administration in France. It is not a collection of essays by the author who is too well known to need an introduction, but an original work written in an easy style for the use of students of political science. No attempt has been made to give a philosophical account of the political theories practised in France.

The chapter on the Constitution of France contains all one needs to know on that subject. It also contains a brief review of the five separate laws passed during the year 1875 by the National Assembly.

France still allows voting in the House by proxy. Deputies in the House vote with the slips of absent members. The result is that some deputies even make a profession of being absent, while others take charge of the boxes of several of their colleagues. It is indeed a regrettable practice.

Unlike the United States where the powers of the President are very limited, the President of France alone can represent the nation in all external matters. The France ambassadors speak in his name, he conducts negotiations, and can bind his country by his sole signature; he is in fact the author of treaties. We think that as democracy progresses the French will have to revise the powers of their President.

The procedure of civil justice in France is based on that in practice in England, and much of it is borrowed from Holland.

Although religion is free in the state of France, still the state does not ignore it. The chapter on Public Rights is specially lucidly written.

What one learns by reading many volumes of the government of France, is found in this book of 222 pages.

H. P. Shastri

Through Thirty Years

By Henry Wickham Steed, London: William Hienemann, Ltd.

This is an account of the experiences of the author who is known all over the world as a journalist connected with the *Times*, London. He starts the intersting narrative with his student life in Germany, and in the two well printed volumes takes the reader through many countries and times. In fact this is a very interesting history of Europe covering the period of thirty years, written by a man known for his principles of justice and honesty. No facts are concealed and no partiality is shown. Some anecdotes are so interesting that they could form suitable dinner table stories.

The most interesting part of the book is the account of the war as personally experienced by the author. In his clear, masterly style the reader finds a narrative of many secret facts relating to the Great War. His talks with kings, presidents, ministers and men moulding the public opinion are so vivid that the reader feels the happenings before the eye of his imagination. He throws a flood of light on many obscure facts relating to the war.

He was also in the Peace Conference at Paris and those caring for inside information will find the author's account highly amusing. Here is a little incident which will be read with interest by the readers of the *Review*:—

"The Council of Four was thus reduced to a Council of Three. In the meantime, fresh trouble arose between Chinese, the Japanese, and the Americans, over the Shangtung question, and further contestations between the Belgians and the Allies over the question of Belgian priority in regard to reparation payments, and the Belgian claims to Dutch Limberg. Between Clemenceau and Lloyd George there was also a scene in the Council of Three, Clemenceau accusing Lloyd George so flatly of repeated inaccuracy of statement that Lloyd George rose, seized him by the collar and demanded an apology. After Wilson had separated them, Clemenceau offered Lloyd George reparation with pistols or swords—as soon as he acquired a domicile in France—and, in the meantime, refused to apologize."

The price of the book is 32/— which may look a little high, but, considering the contents of the book and the wonderful information contained in it, the price is reasonable.

H. P. Shastri

Manchuria: A Survey

Manchuria: a Survey. By Adachi Kinnosuke, Robert M. McBride & Company. 401 pp. Ill.

The author describes in this portly book the mineral and agricultural wealth of Manchuria and their significance, especially to Japan. The facts presented by Mr. Kinnosuke have a vital bearing on Japanese relations and the political situation of China. The information about Manchuria trade and industry contained in this book is almost encyclopxdic in range. The author has been familiar with the subject for many years, and has made every effort to bring his knowledge up to date. The book is fully illustrated.

The June number of the Journal of the Chinese Engineering society, organised by American and European returned students, has just made its appearance. It contains articles on 'Air Transportation' by Mr. C. T. Chien; on the 'Wireless Outlook of America' by Mr. C. Chen. 'Project of the Soochow Electric Power Plant,' Mr. F. T. Loh; 'Diesel Engine' by Mr. C. C. Wang; 'Simple Talks on Machines' by Mr. Y. H. Sun; 'Lime Concrete Foundations of Important Structures' by Mr. K. H. Sikh and a report on brick testing by Mr. H. H. Ling.

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We are in need of the following back numbers of the *China Weekly Review* and will pay fifty cents per copy for any sent to us.

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,,	,,	,,	5.	,,	30, 1922.
,,	,,	,,	11.	February	10, 1923.
,,	,,	,,	13	,,	24, 1923.
,,	XXIV	,,	2	March	10, 1923.
,,	,,	,,	13.	May	26, 1923.
,,	XXV	,,	5.	June	30, 1923.
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,,	,,	,,	4.	September	22, 1923.
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,,	,,	,,	4.	March	22, 1924.
,,	XXX	,,	9.	November	1, 1924.

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China Weekly Review

4 Avenue Edward VII, Shanghai, China

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price July 29th.	Sale Price August 5th.	Approx. Yield to Maturity August 5th.
Duke-Price Power Co., Ltd., 1st., Mtge.	6	July 1, 1949	102⅓	102½	5.80
Szecho-Slovak Govt. Sinking Fund Loan	8	Oct. 1, 1952	100	100	8.00
Cuban Domin. Sugar Co. 1st Lien S. F. Loan	7½	Nov. 1, 1944	96¾	96½	7.85
Finnish Guaranteed Municipal S. F. Loan	6½	Oct. 1, 1954	90	90	7.30
Republic of Chile S. F. Loan	7	Nov. 1, 1942	101	100½	6.95
Paris Lyons Mediter. R. R. Co. S. F. Loan	6	Aug. 15, 1958	77	77	7.95
Department of Seine S. F. Loan	7	Jan. 1, 1942	88	88	8.30
French Government S. F. Loan	7	Dec. 1, 1949	89	91	7 80
German Government S. F. Loan	7	Oct. 15, 1949	96⅞	96⅜	7.30
Kingdom of Norway S. F. Loan	6	Aug. 15, 1943	101	100⅜	5.90
New York Steam Corp. Cum. Pref. $7 Stock	7%	Stock	101¾	100¾	6.95
Willys-Overland Co. 1st (Closed) Mtge. Loan.	6½	Sept. 1, 1933	102	102	6.15
Portland Electric Power Co. 7% Cum. Prior Pref. Stock	7%	Stock	300	100	7.00
Can. Pac. R. R. Co. Debenture Stock	4	Perpetual	80½	79½	5.03
Belgian Government S. F. Loan	6	Jan. 1, 1955	86	85½	7.20
Andes Copper Mining Co. Debentures	7	Jan. 1, 1943	98¾	98½	7.20
German General Electric Co. S. F. Loan	7	Jan. 15, 1945	93¼	93¼	7.75
Saxon Public Works Inc. 1st Mtge. Guaranteed S. F. Loan	7	Feb. 1, 1945	91¾	91½	7.85
Cuban Northern RR. Co. 1st Mtge. Loan	6	July 1, 1966	92½	92½	6.55
Dodge Brothers Inc. Debentures	6	May 1, 1940	98⅞	98¼	6.20
Republic of Finland S. F. Loan	7	Mar. 1, 1950	94½	94	7.45
Anaconda Copper Mining Co.	7	Feb. 1, 1938	102	101⅞	6.80

The National City Company International Bank Building No. 2A Kiukiang Road, Shanghai China.

These quotations are subject to confirmation by the National City Company of New York.

Shanghai Exchange for Week Ending Wednesday, August 5, 1925.

By Maitland, Fearon and Brand

Exchange:—The London price of silver for ready delivery after slight fluctuations during the week, at 32d. is $\frac{5}{16}$d. up. The forward quotation at 32⅛d. is also $\frac{5}{16}$d. higher than last week. Our official rate for T/T on London remains at 3/1⅛d. Exchange business has been small, but there has been a fair demand for Gold $ T/T and our Gold Dealers are inclined to buy Gold Yen T/T in cover of their position.

There is very little cover offering in the shape of Export Bills and our stocks of silver remain heavy. The market closed easy for ready and steady for forward.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ....Tls. 61,229,000 an increase of Tls. 70,000.
Chinese and Mexican Dollars .....$ 46,510,000 an increase of $ 1,140,000.
Estimated value Tls. 94.716,000 as against Tls. 82,051,000 held at this time last year.

	Average rates for July	Thursday July 30	Friday July 31	Sturday Aug. 1	Monday Aug. 3	Tuesday Aug. 4	Wednes. Aug. 5
Bk's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	3/1.720	3/1⅜	3/1⅜	3/1⅜		3/1⅜	3/1⅞
O/Dfts. ,,	—	3/1 13/16	3/1 13/16	3/1 13/16		3/1 13/16	3/1 13/16
4m/s ,,	—	3/2	3/2	3/2		3/2	3/2
T/T India	207.840	208	208	208		208	208
T/T France	1,621.600	1605	1610	1610		1610	1615
T/T N. Y.	76.430	76½	76½	76½		76½	76¼
T/T Hong	74 805	74½	74½	74½		74½	74½
T/T Japan	53.970	54	54	54		54	54½
T/T Batavia	188.740	188¼	188¼	188¼		188¼	188½
T/T Straits	74.770	74⅝	74⅝	74⅝		74⅝	74⅝
Bk's buying rates							
4m/s B/L. Cred. D/A	3/2.835	3/2⅜	3/2⅞	3/2⅞		3/2⅞	3/2¾
4m/s ,, D/P	—	3/3	3/3⅛	3/3⅛		3/3⅛	3/3
4m/s ,, D/A	3/3.210	3/3⅛	3/3¼	3/3¼		3/3¼	3/3⅛
4m/s B/F. C.,D/A,D/P	1,699 600	1685	1685	1685		1685	1690
4m/s N. Y. Lc.	78.180	78¼	78¼	78⅛		78¼	78¼
4m/s ,, Docs	—	78½	78½	78⅝		78½	78½

BANK HOLIDAY

Based on Daily Official quotation, higher rate taken on rising Market, lower when falling. Bullion.	July 30	July 31	Aug. 1	Aug. 3	Aug. 4	Aug. 5
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence.	31 1/16	31⅞	32		32	32
**N Y. Price of Bar Silver per oz. (Pure)	G.$ 69½	G $.69⅝	G.$.69⅝		G $.69⅝	G.$.69⅝
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	Tls. 260.80	Tls. 261.10	Tls. 261.00		Tls 263.70	Tls. 263.70
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	111.00	111.00	111.00		111.0	111.00
Shanghai Mexican Dollars per $100	72.4625	72. 50	72 4875		72.4875	72.475
Native Bank Rate of Interest (Call-money)	1%	1%	1%		1%	1%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

HOLIDAY

Bank of England rate of discount	5%	London on Paris	T/T 102./1
Bank of France rate of discount	6%	New York on London	T/T 4851/32
London open Market of Dis. 3 m/s.	4 1/16%	Bombay on London	T/T 1/6 3/32
,, 4 ,,	4½%	Hongkong on ,,	T/T 2/33/64
,, 6 ,,	4½%	Kobe ,, ,, ,,	T/T 1/83/64

GENERAL NEWS SUMMARY

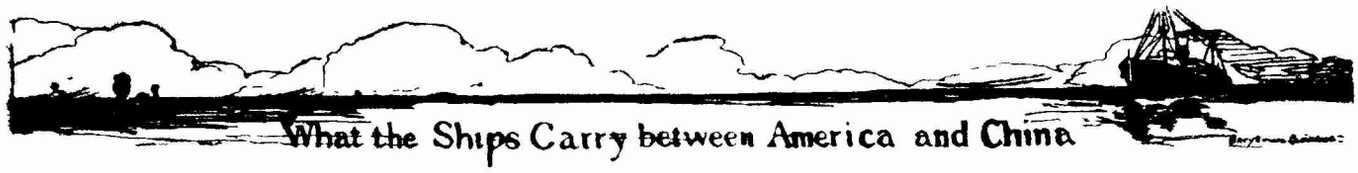
August 1—Mine strike in England is settled by subsidy plan——Conference to be held by influential Americans for discussion of better news facilities between China and United States——London silent on proposed Customs and Extraterritoriality Conference.

August 2—French troops in Morocco during a lull are recruiting at 115 degrees in the shade——Rumors report a possible compromise in respect of the French debt to Great Britain——Rumors also report that the Soviet may recogonize part of its debt to France.

August 3—British troops are standing by to prevent incursions by the fanatical Riffs into Trans-Jordania——France proposes new plan of paying her debt to Britain—£6,000,000 a year, which would mean over a century to clear the debt——French planes lead drive on rebels in Syria.

August 4—Evacuation of Ruhr effected without any disorders, the French and Belgians leaving all except the three "sanction" towns——Shipping strike in Australia is brought to an end——Riffian attack is repulsed by French——Stevenson rubber restriction plan is again attacked in House of Commons.

August 5—Chinese authorities are blamed in comprehensive police report on June strike disorders in Shanghai——Silk industry threatened as 6,000 workers strike for higher wages——New policy on China is urged in Paris newspapers.



Return of the Shanghai Customs

By: Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls., Customs Rate Tls. June 1.21 equal Gold $1

S. S. President Pierce, July 6, from U. S. A.

Copper Ingots	Pls.	1,848
Asbestos Packing	,,	4
Asparagus, Canned	,,	65
Asphalt	,,	9,618
Bones, Cow	,,	600
Butter	,,	4
Carbon, Black	,,	70
Cocoa	,,	7
Fruits, Canned	,,	37
,, Fresh	,,	28
Ink, Printing	,,	54
Lead, Rod	,,	419
Leather, Calf	,,	1
,, Sole	,,	47
Milk, Evaporated	,,	682
Oranges, Fresh	,,	753
Packing, India-rubber	,,	9
Paper, Chipboard	,,	3,045
Raisins	,,	859
Soda, Ash	,,	42
Tobacco, Leaf	,,	461
Bedsteads	Pcs.	396
Lemons, Fresh	,,	69,720
Canned Meats	Doz.	45
Cigarettes	Mille.	18,510
Paints, Unclassed	Galls.	110
Dyes, Aniline, Pkgs. 6	Hk. Tls.	436
Machinery	,, ,,	4,508

S. S. President Jefferson, July 10,

To Seattle:		
Antimony Regulus	Pls.	420
Egg Albumen, Moist	,,	1,350
,, Yolk, Moist	,,	766
Hair Nets	Hk. Tls.	1,156
To Galveston:		
Hair, Human	Pls.	49
To Huntingdon.		
Silk, Raw, Steam Filature: White, Shanghai Bls. 100	,,	98.70
To Scranton:		
Silk Raw, Steam Filature: White, Shanghai Bls. 20	,,	20.21
To Easton Pa.		
Silk, Raw, Steam Filature: White, Shanghai, Bls. 10	Pls.	9.88
To South Manchester:		
Silk, Raw, Steam Filature: White, Shanghai Bls. 10	Pls.	9.66
Silk, Waste: Shanghai Bls, 10	,,	31.48
To Baltimore:		
Egg Yolk, Dried	,,	252
Straw Braid, White	,,	50
To Buffalo:		
Silk, Raw, Steam Filature: White, Shanghai, Bls. 20	Pls.	19.64
To Chicago.		
Tea, Green:		
Gunpowder, Ningpo	,,	217
,, Kiukiang	,,	30
Imperial Kiukiang	,,	7
Young Hyson, Kiukiang	,,	133
,, other Ports	,,	210
Hyson, Kiukiang	,,	57
,, other Ports	,,	169
Egg, Yolk, Dried	,,	161
Carpets	Hk. Tls.	400
Lace,	Hk. Tls.	700
To New York		
Silk, Raw, Steam Filature: White, Shanghai, Bls. 100	Pls.	99.96
Yellow Hankow Bls. 10	,,	9.87
Silk, Waste: Shanghai Bls. 37	Pls.	116.81
Silk Piece Goods	,,	2.81
,, Pongees, Honan	,,	27.63
Tea, Green: Gunpowder, Ningpo	,,	523
Gunpowder, Kiukiang	,,	33
Imperal, Kiukiaag	,,	4
Young Hyson, Kiukiang	,,	350
,, other Ports	,,	22
Hyson, Kiukiang	,,	64
Brassware	,,	21
Bristles	,,	120
Egg Albumen, Dried	,,	195
,, Yolk, Dried	,,	72
Intestines, Pigs', Salted	,,	166
,, Sheep's ,,	,,	4
Lacquerware	,,	33
Straw, Braid White	,,	10
Skins Doe	Pcs.	1,508
,, Goat, Tanned	,,	2,500
Carpets	Hk. Tls	4,782

S. S. Empress of Canada, July 11,

To Chicago:		
Tea, Green: Gunpowder, Ningpo	Pls.	240
,, other Ports	,,	90
To New York:		
Silk, Raw, Steam Filature: White, Shanghai, Bls. 135	Pls.	135.06
Yellow, Shanghai: Bls. 15	,,	15.00
Silk, Raw, Filature: Wild, other Ports, Bls. 30	,,	30.74
Silk, Piece Goods	,,	3.30
Silk Pongees, Shantung	,,	4.37
Tea, Green: Gunpowder, Ningpo	,,	12
,, Kiukiaug	,,	7
Young Hyson, other Ports	,,	11
Skins, Dog	Pcs.	1,010
,, Moufflon	,,	5,796
Skin Crosses, Kid	,,	318

S. S. President Grant, July, 8 from U. S. A.

Cotton Yarn, Mercerised	Pls.	7
Copper Ingots	,,	420
Bacon and Hams	,,	3
Cheese	,,	47
Fish, Smoked	,,	5
Fruits, Fresh	,,	5
Flour, Wheat	,,	336
Leather, Patent	,,	5
Oranges, Fresh	,,	5
Bedsteade	Pcs.	146
Leather, Cloth	,,	18
Motor-cars	,,	2
Hats	Doz.	60
From Japan.		
Bacon	Pls.	2
Cheese	,,	4
Fish, Smoked	,,	12
Margarine	,,	28

S. S. West Cayote, July 10, from U. S. A.

Flour, Wheat	Pls.	184
Timber: Spars	Pcs.	11
Softwood, Ordinary Sawn	Sup. ft.	402,247

S. S. West Keats, July 10, from U. S. A.

Paper, Printin	Pls.	1,329
Timber: Railway Sleepers	Pcs.	5,400
Softwood, Ordinary Sawn	Sup. ft.	516,547
Softwood, Merchantable	Sup. ft.	30,612

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—The market, during the past week, has been rather quiet, and prices moved within a narrow range, with the net result of a moderate decline from last week's level. The speculative element seems to regard the present level of prices as offering little inducement to operate on either side of the market, and is assuming a waiting attitude, requiring new developments in the general outlook as an incentive to fresh operations.

Regarding the crop outlook, the deductions from reports to hand, point to favorable progress being made throughout the principal growing centers. However, it is difficult to formulate, at this early stage, any estimate as to what the ultimate outturn will be in that such continually hinges on the future weather developments.

As to the trend of prices in the immediate future, the conditions at present existent do not warrant the expectation of extreme fluctuations, and the probabilities incline to rather narrow markets until such time as the situation assumes a more decided aspect brought about by the resumption of work in the mills in general, coupled with a more pacific political atmosphere pervading the country at large.

Yarn:—During the past week there has been no change in the fundamental conditions of the yarn market. Fluctuations were within narrow limits, and with a steady tendency at the close of the week. In all some 2000 bales of local spinnings have been booked for export to Szechuen, Kiangse, Canton, Ningpo, Swatow and other interior ports.

Liverpool:—

American-Middling 13.87
,, -Middling last reported....13.48
Tone of market, *Steady.*

Indian Market:—

Fully Good Bengal, Dec/Jan ...366
Fully Good Broach, July/Aug ..459
Fine Oomra, Dec./Jan.....412
Tone of the market:—*Steady.*

New York Market:—

Price of Mid-American. 24.90 Spot.
24.40 Oct.
24.45 Dec.
23.90 Jan.
24.22 Mar.
24.45 May.

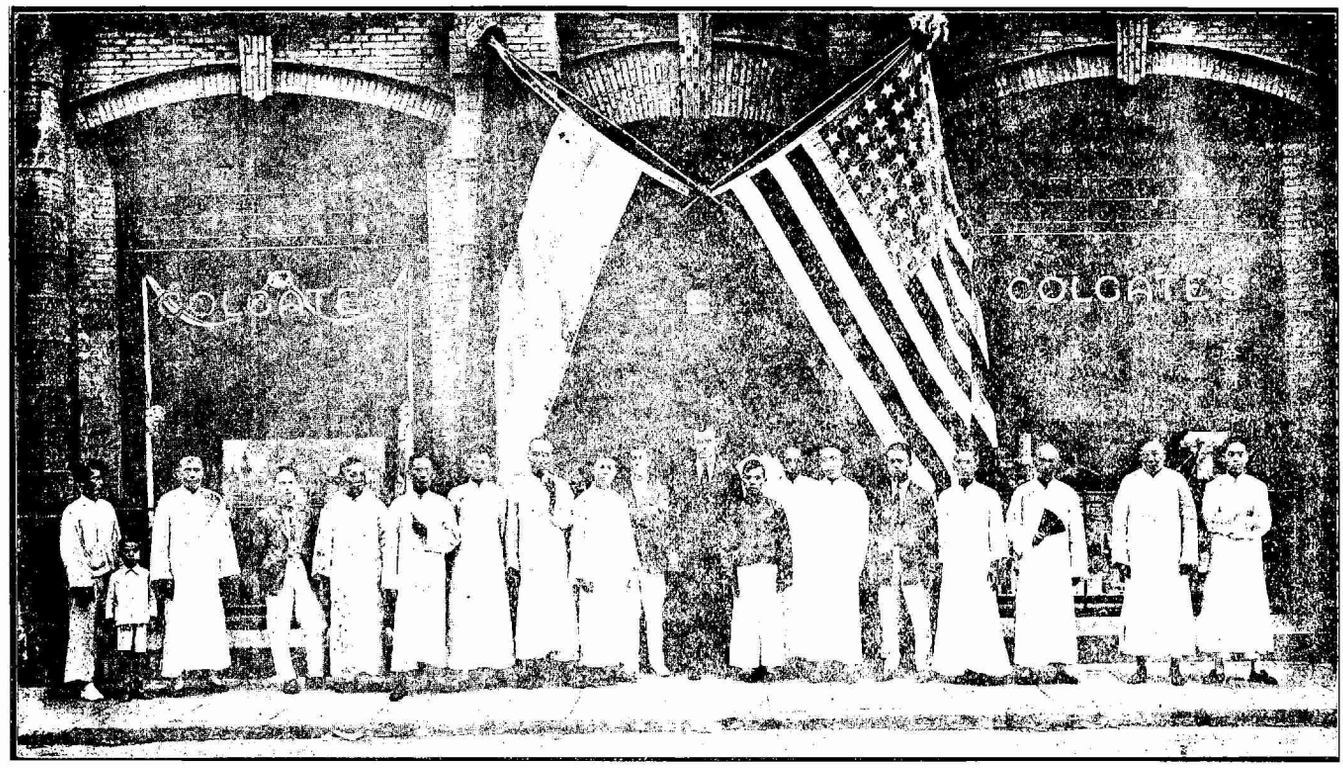
Tone of the market:—*Easier.*

Shanghai Market:—

Tungchow, Spot, ex. wharf	Tls.	43.00
Shanghai, Spot	,,	40.50
M. Ginned, Spot	,,	41.50
Shensi, No. 1 Spot	,,	41.00
Ningpo, Spot	,,	38.00

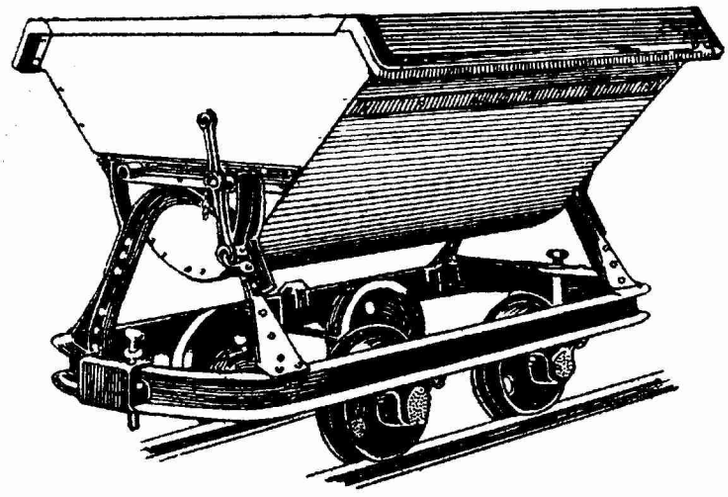
Tone of the market:—*Steady.*

Colgate & Company Establish New Shanghai Salesrooms



After handling their products through various agents in China for several years, Colgate & Company, New York soap makers and perfumers, recently established their own branch office at 7b Kiangse Road, Shanghai, with Mr. O. F. Rehnborg as representative. The picture shows the entire staff of the organization, with Mr. Rehnborg in the center, at the opening of the new offices August 3rd. The new system of distribution being planned will greatly expedite the handling of Colgate products to more than 120 dealers in Shanghai. Refreshments were served during the opening day to visitors at the new establishment.

INDUSTRIAL RAILWAYS



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